DOCUMENT RESUME

ED 105 557 EA 006 944

AUTHOR	Heffley, John E.
TITLE	Financing Public Education in Massachusetts: A Process for Revision.
INSTITUTION	Massachusetts Advisory Council on Education, Boston.
PUB DATE	Feb 75
NOTE	115p.; Related documents are ED 083 906, ED 097 755 and EA 066 806; Pages 103-106 may reproduce poorly
EDRS PRICE	MF-$0.76 HC-$5.70 PLUS POSTAGE
DESCRIPTORS	*Change Strategies; *Educational Finance; Elementary Secondary Education; *Equal Education; Equalization Aid; *Finance Reform; Financial Support; *Political Influences; Regional Cooperation; School District Autonomy; State Aid
IDENTIFIERS	Massachusetts

ABSTRACT

The attitudes and opinions of Massachusetts legislators, municipal leaders, and educators regarding school finance reform reveal that school finance reform should aim for equal educational opportunity. Future school aid reform should be a total program to provide aid to cities and towns, gradually raising education's share to 50 percent state aid with certain programs fully funded. A legislative commission is asked to issue finance reform guidelines. Property tax assessment equalization, biannual educational program cost differential reports, local control over fiscal policy, and regionalized school districts are concepts favorably recommended. The State Department of education is asked to share more educational planning with local districts and to require standardized financial reports. (Author/DW)

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financing public education in Massachusetts

a process for revision

study director
John E. Heffley

EA 006 944

a study conducted for the
massachusetts advisory council
on education

February, 1975

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FOREWORD

This report addresses the issue of finance reform for public school programs in Massachusetts. It shows that there is a great need for such reform. The variation in fiscal support and effort for school districts across the Commonwealth is a major cause of inequality in educational opportunity. It is a variation recognized by most respondents to the study.

The question of equal opportunity in education is complex. Therefore we recommend that this report be considered in conjunction with three other MACE reports:

1. EFFECTIVENESS, EFFICIENCY, AND EQUAL OPPORTUNITY IN THE PUBLIC SCHOOLS OF MASSACHUSETTS (October, 1974). This study by the Governor's Commission on School District Organization and Collaboration provides information on steps needed to ensure that finance reform results in equalization of opportunity. (ED 097 755)

2. HIGHER EDUCATION IN MASSACHUSETTS: A NEW LOOK AT SOME MAJOR POLICY ISSUES (June, 1973). This study by the Academy for Educational Development provides recommendations on planning and financing for equalization of opportunity on the college and university level. (ED 083 906)

3. MASSACHUSETTS TAXES: A FACTUAL GUIDE TO FUTURE ACTION (December, 1974). This report by the Massachusetts Taxpayers Foundation described the realities of taxation and revenue raising that must be faced by all finance reformers. (EA 006 306)

Failure to consider any one of these areas concurrently with the question of finance reform in education would be unrealistic and inimical to the best interests of the citizens and taxpayers of Massachusetts. Equal opportunity should exist on all levels of education. However it should not be at the expense of any one geographic or economic group.

This report contains recommendations based on a careful survey of many political and educational representatives across the Commonwealth. It recognizes that finance reform is a political question and not just a matter of educational equity. The question is one of addressing the aspirations of all citizens as well as the legitimate hopes of educational leaders. This report, therefore, focuses on that dimension as a supplement to more specific reform proposals from the State Board of Education and other organizations.

The conclusions and recommendations in this study are the sole responsibility of the project director. However, his efforts were aided immensely by the questions and ideas defined by an outstanding advisory committee. The Advisory Council on Education is grateful to the members of that committee for their fine service to the Commonwealth.

We now offer this report to the General Court, the Governor, the Secretary of Educational Affairs, the state boards of education, and the general public as one of the "yardsticks" that can be used to analyze proposals for finance reform in education. In conjunction with the other reports mentioned earlier in this foreword, this document can be especially useful to the Commission on Equal Educational Opportunity.

Ronald J. Fitzgerald
Director of Research
for the
Advisory Council on Education

PREFACE

This study was designed to sample attitudes and opinions concerning school finance from political and educational leaders across the state of Massachusetts. From this information and from findings of researchers and other existing studies we have attempted to develop recommendations which would lead eventually to a more equitable system of financing education in the state.

In this study, "equity" proved to be one of those things seen differently by different people. To some, the term meant a better distribution of existing resources - to others, the term implied extensive changes in the process by which the state identified and contributed to the cost of local public education. Few, if any, ideas or proposals had unanimous support among educators, municipal officials, and legislators participating in the study. As a matter of interpretive synthesis, we have used the concept of "equity" which implies fair and impartial dispersal of state aid to insure fair and impartial access to education for all young people regardless of their residence.

Paul Cook, in the Preface to his MACE study on Modernizing School Governance for Educational Equality and Diversity, states that "the issue has become one of finding new ways to meet the responsibility to provide a system of public education that fairly responds to the needs of all young people and of the state itself." That issue is still the germane one in the commonwealth and it is an issue that is only partially addressed by the question of school finance. Until that question is fully addressed and a reasonable solution evolved, the equity problem grows increasingly more complex since even the access to education is heavily influenced by where one lives.

A number of people have played important parts in this study. Individuals long active and deeply committed to the proper distribution of funds within the state to help bring a sense of fiscal equity in education volunteered to serve on an advisory committee. They continually challenged me to insure that the quality of this study was high. Their questions, suggestions, and encouragement was a source of strength throughout the study. My appreciation is genuinely extended for their help and support.

My special appreciation goes to Charlotte Ryan. Charlotte has special expertise in the area of school finance and she gave extensively of her time and constructive criticism/encouragement to insure that the study did not become too narrow in its approach and in its conclusions.

Several people provided editorial and administrative support far beyond the call of duty. Billie Howes and Alice Modrzakowski gave me much assistance in preparing data, typing drafts, handling questionnaires and correspondence, and preparing the final copy. Their help was invaluable.

Finally, many thanks are due to Allan Hartman and Ron Fitzgerald of the Advisory Council on Education. They helped in ways too enumerable to list to help bring together good advice and counsel.

The scope of the completed study may appear to be broader than might have been handled using the most stringent standards of research technique. I have to acknowledge the limitations of the study and to accept the fact that those most intimately involved in the process of revising school finance in the state may criticize the findings and recommendations. The intent was, and is, to stimulate thought to insure that the resulting adjustments in the way in which we provide equity to individual students is proper and just. Any other perspective tends to be self-serving.

Obviously, I assume full responsibility for the report of the study. If it serves any useful purpose in helping to make the conditions for education to take place a little better then we can find considerable satisfaction in its results.

John E. Heffley

Amherst, Massachusetts
February, 1975

THE PROBLEM

In the early 1960s, a series of widely-read articles appeared in The Boston Globe entitled "The Mess in Bay State Education." The authors and researchers of the series, Ian Menzies and Ian Forman detailed the basic structural flaws which they saw in the public education process in Massachusetts. They cited a number of deficiencies, including the following:

-- An archaic, inequitable formula of state aid which ranked the Commonwealth of Massachusetts 47th among the states in state support of public schools.

-- A heavy reliance on local property taxes to fund education, a reliance which meant that "the standard of education has become geared to the accident of geographic location." That is, real estate - poor communities were unable to purchase the same level of educational services as wealthier communities.

-- A large number of high school students enrolled in a so-called "general curriculum" which was neither flesh nor fowl; it prepared them neither for a job nor college.

-- A failure to plan and coordinate for an intelligible and comprehensive system of education, a failure endemic "since Horace Mann first gave public education here its impetus in 1838."

-- A tradition of "every town for itself" which severely limited the possibility of state-coordinated action.

These deficiencies, along with a number of other conclusions added up to a simple indictment: Massachusetts education had failed to achieve either of the two most basic goals of schooling: quality education and equality of opportunity.

The Globe series proved to be the catalyst to articulate a growing concern about education in the state. In 1964, the state legislature established the Willis-Harrington Commission to conduct an extensive two-year study of public education in the Commonwealth. From the Commission came a number of recommended changes which would have extensively altered the process and organization of education within the state. A number of the recommendations formulated by the Commission were enacted by the Legislature and agencies of the Commonwealth. Many of the recommendations went into legislative committees and were never reported out, thus going unheeded.

In 1966, a major revision of the mechanism to provide state aid to education was effected. The General Court approved under Chapter 70 of the Laws of 1966, a process for state aid to education based upon a percentage equalization formula. The law was designed to provide reimbursement aid equal to about 35 percent of the total operating school costs in the Commonwealth. Individual cities and towns would receive varying percentages of state aid ranging from a minimum of 15 percent to a maximum of 75 percent of their operating expenses, according to their ability to pay. This formula, by distributing state aid on a sliding scale and basing the percentage upon a community's equalized wealth, was an attempt to remove the inequities which exist between wealthy and poor towns. Under such a program, poorer towns would receive more state aid than wealthy towns.

The intended effectiveness of the formula has never been completely realized, however. The General Court has consistently failed to provide the necessary funds to fully reimburse cities and towns as provided by the law. Added to this problem of adequate funding and complicating the issue of true equalization between towns of substantially different fiscal capacity are the problems caused by the minimum and maximum limits established in the law. For instance, the state aid percentage may rise as high as 75 percent but may not decline below 15 percent. Thus, the poorer districts in the state can not receive more than 75 percent reimbursement and the most wealthy districts are guaranteed at least 15 percent.

For the years 1973 - 1974, the following table illustrates the relative distribution of the "school aid percentage" among the cities and towns.

Table 1

School Aid Percentage	Number of Cities and Towns Qualifying
15.0	88
15.1 - 30.0	49
30.0 - 45.0	87
45.1 - 60.0	110
60.1 - 74.9	16
75.0	1
Total	351

Source: "Analysis of School Aid to Massachusetts Cities and Towns" Department of Education - 1973 / 74

While only one school district qualifies for the upper limit of 75 percent reimbursement, 88 cities and towns are entitled to 15 percent reimbursement, or the minimum. Thus one-quarter of the school districts (cities and towns), while possessing a high level of fiscal resources receive the 15 percent minimum reimbursement whether they have need or not.

This guarantee of a 15 percent minimum has a significant impact on the process of seeking equity in state aid. The effect of giving the more wealthy communities reimbursement of 15 percent is to minimize relatively the aid received by poorer school districts. As an example, Boston receives 57.8 percent of its reimburseable expenditures under the 1973-74 Chapter 70 entitlement. Movement toward any true sense of equalization is blocked by the fact that the state is also providing 88 communities, with high levels of local fiscal resources, school aid equal to 15 percent of their reimburseable expenses.(1)

When the Globe articles were published over ten years ago Massachusetts was one of the wealthiest states in the nation based on per capita income. At the time, the state also ranked 47th among the states in state aid to education. Today, Massachusetts, which is still one of the wealthiest states in the nation if per capita income is used as a guideline, still ranks near the bottom in state aid to education. Effectively, only 24.2 percent of the total revenues required for public education is provided by the state. Table 2 shows Massachusetts to be substantially below the national average of 43.0 percent for state aid to education.

The low percentage of state aid is a direct result of continued reliance upon the local property tax as the primary source of school revenues. And this reliance is a major factor in denying students access to the resources necessary for any legitimate claim to equality of educational opportunity.

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(1) See "Brief Amicus Curiae on Behalf of Massachusetts Educational Conference Board" in the case of Timilty v. Sargent (U.S. District Court, District of Massachusetts) Civil Action No. 71-2813-G for a similar analysis of the state aid formula.

TABLE 2

REVENUE SOURCES FOR PUBLIC
ELEMENTARY and SECONDARY SCHOOLS

	Federal	State	Local
Alabama	14.4%	68.0%	17.6%
Alaska	16.8%	62.8%	20.3%
Arizona	7.4%	38.5%	54.1%
Arkansas	16.3%	48.8%	34.9%
California	6.7%	42.1%	51.2%
Colorado	7.3%	35.3%	57.4%
Connecticut	3.1%	23.1%	73.8%
Delaware	6.6%	69.7%	23.7%
D.C.	11.4%	---	88.6%
Florida	8.7%	57.1%	34.2%
Georgia	12.0%	55.0%	33.0%
Hawaii	8.2%	88.8%	3.0%
Idaho	11.1%	43.3%	45.6%
Illinois	5.9%	40.0%	54.1%
Indiana	5.1%	32.7%	62.2%
Iowa	4.9%	35.3%	59.7%
Kansas	8.0%	31.4%	60.5%
Kentucky	13.8%	55.2%	31.0%
Louisiana	14.0%	56.0%	30.1%
Maine	9.3%*	35.0%*	55.7%*
Maryland	6.2%	47.1%	46.7%
Massachusetts	5.2%	24.2%	70.7%
Michigan	4.0%*	50.0%*	46.0%*
Minnesota	4.7%	58.1%	37.1%
Mississippi	24.5%	52.5%	23.0%
Missouri	7.6%	35.9%	56.4%
Montana	8.5%*	40.0%*	51.5%*
Nebraska	7.9%	20.8%	71.3%
Nevada	6.1%	41.8%	52.1%
New Hampshire	3.0%	7.4%	89.6%
New Jersey	5.7%	28.7%	65.6%
New Mexico	16.0%	64.4%	19.6%
New York	4.9%	39.1%	56.0%
North Carolina	10.5%	68.7%	20.8%
North Dakota	9.1%	43.9%	47.0%
Ohio	7.3%	34.3%	58.5%
Oklahoma	9.3%	44.8%	45.9%
Oregon	4.1%	24.4%	71.5%
Pennsylvania	6.8%	49.7%	43.5%
Rhode Island	8.1%	36.4%	55.5%
South Carolina	15.8%	57.4%	26.8%
South Dakota	14.9%	13.0%	72.0%
Tennessee	13.1%	45.1%	41.8%
Texas	11.0%	47.5%	41.5%
Utah	8.2%	56.8%	35.0%
Vermont	6.1%	33.0%	60.9%
Virginia	10.4%	36.7%	52.8%
Washington	8.7%*	56.5%*	34.8%*
West Virginia	12.5%	57.5%	30.0%
Wisconsin	3.3%	40.0%	56.8%
Wyoming	11.1%	36.7%	52.2%
TOTAL U.S.	7.5%	43.0%	49.5%

Note: *Estimated

Source:
"Estimate of School Status,
1973-74
National Education Association

Much has been written and stated by the myriad of studies about the educational problems which are caused by inequities in the process of providing financial support for schools. Also, much has been written in an attempt to establish the premise that increased financial aid alone will not guarantee improved instructional quality if factors relating to the process and organization of the educational establishment are unchanged. Simply stated, changes in fiscal policy alone will not cause schools in Massachusetts to improve the quality of or to make more equitably available the improved educational resources available to students.

At the same time, a continuation of inequities in school finance particularly when these inequities are transformed into inequities in the quality and amount of resources available to students and teachers, will perpetuate the problems of providing equality of educational opportunity. Perhaps this point was best made in a work by John Coons and others in 1970 by saying that the poor should have the same opportunity that the rich have to prove that more resources (may) not improve education.(2) It is imperative that any serious discussion of educational equity then start at first instance with the questions surrounding the source and availability of financial resources.

Expanding upon the issue raised above about the commitment on the part of the state toward improving the distribution and amount of funding available to the local school districts, one needs to look at the situation in Massachusetts at the present time. Table III shows the range of differences among selected school districts in the state in three areas - local capacity to raise funds for school expenditures, equalized school tax rates, and expenditures per pupil.

These data demonstrate that large disparities do exist in local wealth, school tax effort, and levels of individual school system expenditures. The differences between the highest and lowest individual district values are extreme.(3)

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(2) This issue is discussed in John E. Coons, et al. Private Wealth and Public Education. (Cambridge, Massachusetts: Belknap Press, 1970).

(3) The information on highest and lowest communities in each instance is provided only for extremes. In many cases the community is unusually small or does not operate a full school program within the jurisdiction of a single or regional school district.

Given the continuing dependence on the local property tax to raise local revenue, the most significant variation appears in equalized valuation per school attending child. This is the measure of local ability to pay for schools used in Chapter 70 as it is now written. Variation in equalized school tax rates and funds applied by local districts is also quite high, which tends to reflect a synthesis of fiscal ability and local commitment to the funding of education.

Disparities in local wealth are particularly important insofar as they will affect variation in tax effort and school spending at the local level so long as they are not offset by state support and/or financial intervention. Prior studies of school finance have consistently concluded that local wealth is the most important single factor affecting expenditures for education. Data available from cities and towns in Massachusetts (Table 3) support this conclusion. There is a consistent pattern wherein equalized valuation per child exceeds the state average. The expenditure per student also exceeds state averages. Notable exceptions are the three major cities in the sample - Boston, Springfield, Worcester. In each case, local pressures and cost differentials have caused per pupil cost to exceed state averages, extensively in Boston and Worcester, moderately in Springfield, even though equalized valuation in each city is over twenty-five percent lower than the state average.

In contrast to this situation, a more equitable process of public school finance would equitably reward a community in proportion to its own effort to provide good schools. This process would then break the tie between local wealth and educational offering, the tie by which the present school financing system binds some communities to inferior schools while rewarding others with educational excellence achieved in a relatively "painless" manner. It would be difficult to defend a state system where, for example, two districts have similar school tax rates but one provides substantially more per pupil spending as the other, or, two districts spend the same amount per pupil but one must levy school taxes at a higher rate than the other. Table (3) includes limited and selected examples, but they illustrate a pattern of inequitable disparities that affect individual localities in each state. (4)

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(4) Similar conclusions and observations were afforded by a Research Report to the Federal Reserve Bank of Boston in 1970 by Steven J. Weiss, "Existing Disparities in Public School Finance and Proposals for Reform."

TABLE 3

Distribution of Community Fiscal Ability, Effort, and Per Pupil Expenditures

Selected Communities

1973 - 1974

Community	Equalized Valuation Per School Attending Child	State Rank	Equalized School Tax Rate - 1973	Funds Applied per 1000 Valuation	State Rank	Total Per Pupil Cost	State Rank
Andover	32,899	94	31.30	38.05	239	1178.12	54
Barnstable	63,834	29	9.00	19.86	323	1084.85	109
Boston	16,581	319	35.54	65.95	34	1223.00	43
Brookline	68,901	27	21.75	26.94	300	1672.14	6
Cambridge	39,370	66	31.59	41.89	209	1698.13	5
Chicopee	16,364	322	22.33	51.33	119	845.47	316
Everett	46,976	41	23.82	22.25	321	1178.72	53
Fitchburg	26,165	154	27.24	35.64	256	999.13	207
Longmeadow	41,836	55	23.70	30.73	284	1205.86	47
Medford	23,614	183	27.26	40.99	218	987.62	213
New Bedford	17,644	302	27.68	53.65	103	878.56	294
Northampton	29,575	119	29.96	37.13	246	1146.17	72
Pittsfield	24,541	175	28.64	43.52	194	1058.49	142
Salem	30,733	106	29.57	36.28	251	1027.78	171
Scituate	21,611	224	28.24	52.26	117	977.30	224
Springfield	17,105	315	33.94	57.02	79	986.51	214
Taunton	16,675	317	29.09	60.35	61	853.02	310
Waltham	45,136	44	20.56	26.90	301	1143.02	73
Woburn	24,279	178	25.51	42.20	203	986.49	215
Worcester	18,775	282	39.56	61.72	54	1176.15	55
State Total/Average	25,551	--	27.52	15.06	---	964.20	--
High Community							
Rowe	378,788	1					
Newbury			55.04				
Ayer				106.67	1		
Gosnold						2570.78	1
Low Community							
Ayer	8,003	351					
Gosnold			3.02				
Mount Washington				6.97	351		
Merrimac						638.77	351

Source: Department of Education
Data Contained in Annual Reports
for Year Ending June 30, 1973

Throughout this report, the point will be emphasized that solving the problems of revenue raising and distribution alone will not make substantially equal educational resources available to children. This position is not unique for educators involved in researching school finance and its complexities have consistently taken this position. Joel S. Berke, in one of his most recent works, Answers to Inequity, speaks to this issue.

"When scholars in the sixties examined the impact of state aid formulas and local finance provisions, frequently employing the concepts and methods of economics and political science, they found a series of significant defects. Equalization formulas were so diluted and the proportion of state funding was so low that property valuation repeatedly turned out to be the primary determinant of spending levels for elementary and secondary schools, despite the fact that most educational aid was nominally classified as equalizing.

"The employment of public finance concepts and methods demonstrated the rudimentary character of statutory measures of fiscal capacity, the measures that determine how much a locality might be expected to contribute from its own resources. The reliance on property value per pupil made no provision for the far heavier demands on urban tax bases for general municipal services than on suburban or rural resources. Similarly, a better understanding of the productivity of different types of property had little impact on aid formulas.

"Nor had much educational theory been incorporated into funding schemes. The developing understanding that different types of pupils require different resources for effective learning was seldom linked to systems of resource distribution. While a number of state formulas had long distinguished between elementary and secondary school pupils, few states had come to grips through their general aid formulas with the particular needs of pupils with learning problems or with special requirements such as the physically and mentally handicapped, or of pupils in vocational programs."(5)

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(5) Joel S. Berke, Answers to Inequity. Berkeley: McCutchen Publishing Corporation, 1974, pp. 3f

In a more localized sense, a recent study conducted by Paul W. Cook, Jr., for the Massachusetts Advisory Council on Education observed that it was overwhelmingly evident that fiscal measures alone, relying on a mix of state aid and differentiated incentives favoring poorer districts, will not cause educational resources available to children to approach equality. This does not say that fiscal measures are unimportant; they affect the average commitment level and the equity of the revenue and expenditure system. It would be difficult to sustain a policy of educational equity that was not supported by fiscal equity. However, "the educational leadership should redirect much of its effort to achieve equality of educational opportunity down a much simpler, more direct and more easily implementable route. That route is to mandate substantially equal educational resources for the public school attending children in the state, regardless of where their parents may happen to live."(6)

It would appear, therefore, that the final equity criterion of any educational system will not be found exclusively in financial distributions, though these are important. The final criterion will likely be found in two areas:

One, in the uses made of education - who does what for whom, under what conditions, and with what degree of skill;

Two, in the commitment of political and educational leaders that inequities in the process of education are to be eliminated and that the obvious discrepencies between tax effort and yield on the one hand and educational needs and resources on the other are bridged. Commitment alone is not a valid criteria of equity within an educational system. It does constitute the necessary "first instance" ingredient, however, which enables the other steps to be taken. Lacking such commitment, the actions of political and educational leaders tend to be non-productive in this area.

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(6) Paul W. Cook, Jr. Modernizing School Governance for Educational Equality and Diversity. A Study for the Massachusetts Advisory Council on Education, Boston, September 1972, pp 80 f.

THE APPROACH

"Throughout its history this Nation has stressed education as the primary means of guaranteeing every citizen an equal chance at obtaining the rewards of an open society. If educational opportunities are unequal, then the American experiment in equality of opportunity must fail. The evidence indicates that we are indeed failing. Nor is there any strong indication that we are about to correct this failure."(7)

The Commonwealth of Massachusetts, like the overwhelming majority of states in America, is annually helping to prove this observation through the practice of permitting wide variance in the total resources available to the educational process. A multiplicity of studies in recent years have clearly identified the inequity problems between the ability of wealthy communities to fund high quality school programs and the inability of other communities to provide basic skill instruction.

Since 1966 the state of Massachusetts has had a system of financial aid to schools designed to help reduce the reliance upon the local property tax as a source of school financing. This program, administered through a complex formula in Chapter 70 of the General Laws, is designed to be equalizing - ie., to channel more state revenue to poor districts than to wealthy ones.

In actual practice, Chapter 70 aid - while designed to be equalizing and to reduce reliance on the property tax - is basically an incentive formula, based on local educational expenditures and, to complete the circle, these expenditures are determined by the wealth of the community. The wealthier communities can raise and spend more money per pupil than the poor ones. Thus, even though the poorer communities may qualify for a higher aid percentage, it is frequently applied to a lower per pupil expenditure.

In general, studies concerning school finance in recent years have expanded upon the obvious disparities between community resources and have recommended changes in the method of allocating state aid for education. These recommendations have been in two general categories:

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(7) Alan K. Campbell, "Inequities of School Finance," Saturday Review, Vol. LII (January 11, 1969) - p. -44

(1) Upward adjustments to the aid percentage in the Chapter 70 formula.

(2) Comprehensive tax reforms encompassing extensive adjustments in the state sales tax as well as the personal and corporate income taxes.

Recent studies have provided much valuable research on the existing situation in financing public education within the state. Legislation resulting from these studies has not resulted in major changes in the state aid to education program, however. In the several cases where major adjustments were proposed the legislation was not enacted because the proposal was not politically attractive or substantial additional funding was required which the political leaders of the state could not support.* (See Note Below)

It would appear, therefore, that a proposed change in the state aid program in education should be jointly evolved between political and educational interests and should reflect sufficient changes in the process to insure genuine equalizing provisions.

This study was proposed to look at the process of funding education in the Commonwealth. A comprehensive sampling of the attitudes and opinions held by educational and political leaders in the state would be effected and presented through the Advisory Council on Education. The resulting recommendations would then be distributed to legislators, the Department of Education, the Massachusetts Educational Conference Board, public tax reform groups, city and town officials and other interested groups for discussion and comment. The important facet in the design and conduct of the study would be the recognition that in the final analysis, the decision to significantly change state funding for education would likely be more of a political concern than an educational one and, therefore, the political needs, attitudes, and opinions of officials representing the cities and towns should be considered from the outset.

From the beginning, the intent of the study would be to make the findings and recommendations of the study available to a legislative commission working on equalization of educational opportunity and to other interest groups planning alternative proposals for the funding of public education. The rationale for this approach was well-stated in the MACE study on modernizing school governance conducted by Paul Cook.

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* Recent Major Legislative Bills Relating to School Finance

(Note) 1971/72 Session - Senate Bill 958, Senate Bill 985;
1972/73 Session - Senate Bill 412, House Bill 1876;
1973/74 Session - MTA Bill

"Massachusetts seems unintentionally to have done about all it possibly could to insure that cities and towns would have bad relationships with their school systems. In the school situation, cities and towns and school districts are responsible to essentially the same electorates, since in the typical case, the city or town is the school district. Issues and officials for school and town appear typically on the same ballots or warrants. This tends to involve the non-parent group in school affairs more than would otherwise be the case, and the result is less support for schools. The school system has been given fiscal autonomy, which appears to mean that the school committee can establish whatever budget it wants, and the resulting tax goes on the city tax rate, albeit as a separately identifiable item. Fiscal autonomy is of course generally perceived to be a strongly pro-education measure; probably - not certainly - it is, but is is clearly an advantage often enjoyed at the price of harmonious relationships. Both in many of the cities and towns and in the Legislature, it produces an annual conflict and acrimonious debate." (8)

Unless this institutionalizing of conflict between municipal and educational interests is clearly and skillfully addressed by the legislative leaders, in concert with the concerned interest groups, the liklihood of any real reform of the school aid system would appear to be remote.

As a preliminary step in the process of collecting data from the political and educational leaders in the cities and towns, a questionnaire was developed and sent to state senators, state representatives, mayors or chairmen of boards of selectmen, and superintendents of schools representing ninety-six cities and towns. Included in the questionnaire was a number of areas designed to:

(1) Sample existing thoughts about the present Chapter 70 disbursement formula and its strengths or weaknesses;

(2) Pose general and specific questions related to the expectations for state assistance in the area of education;

(3) Determine what educational programs and services should be funded in the school finance plan and for whom should these programs be provided;

(4) Ascertain what the financial needs of schools will be in the near and long range future and what financial assistance would be required - considering the needs for other governmental services and the financial ability of the state;

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(8) Cook, Op. Cit., p - 13

(5) Sample opinions on what actions might be possible in the near future for changing the existing state funding procedures;

(6) Determine what attitudes and opinions might exist concerning the areas related to the funding of education - i.e., how might educational resources be converted into the most efficient and effective learning processes.[9]

In addition to the questionnaire, personal interviews were conducted with a sampling of individuals having a vested interest in the funding of education in the state. The scope of these interviews was originally to be similar to that for the questionnaire but pursued in greater depth. Early analysis of the questionnaire returns, however, caused a slight alteration of this intent. The single issue which appeared to be of greater concern to both educational and political leaders than to the question of funding alone was over the quality of what the schools were doing.

The quality of public schools - which is to say the degree to which valid educational results are being achieved - was a high level concern to over 70 percent of the respondents. Put another way, over 80% of the same respondents listed the achieving of educational results for all children as one of the most important issues existing in the schools today. This ranked ahead of many of the more popularized issued being discussed regularly in the media - i.e.,

Public involvement in schools
Behavior of youth - in and out of school
Racial and minority group issues
Funding of education
Education of youngsters with special handicaps
Efficiency of school operation
Quality of teaching staffs

In addition, the perceived quality of education was not totally equated to the quality of the schools. For instance, to the following selected points of view, a high percentage of the respondents indicated high degrees of support:

(a) The quality of education a child receives is a product of the quality of life of the whole community - not just the quality of his schools. (Eighty percent of the respondents supported this concept.)

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(9) A copy of the questionnaire along with a more extensive discussion of the methods used in this study are included in Appendix A. Tabulated results of the questionnaire are included in Appendix C.

(b) Equal educational opportunity requires local commitment to the interests of each student more than it requires money. (Over seventy-four percent of those responding to the questionnaire supported this concept.)

(c) Equal educational opportunity requires unequal allocation of funds to local school districts. (Over sixty-eight percent of the respondents indicated a high level of support to this concept.)

Given this degree of interest and concern by all groups, it was decided to alter the focus slightly to concentrate on this issue. Interviews were then scheduled with thirty-seven individuals across the state to discuss in more depth the relationship between allocation of funds and the problems connected with transforming financial resources into educational results. (10)

From the responses to the questionnaire and the interviews, it is possible to evolve some recommendation for further study and possible implementation. It should be noted that this is one of the first times that attitudes and opinions were actively solicited from political leaders and educators in cities and towns across the state. The interesting element connected to the tabulation of results was that the gradients of differences on many items were similar regardless of the constituency of the respondent - be it Boston or a small hill town in the Berkshires.

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(10) Additional information concerning the interviews and a sample "interview focus" form are included in Appendix A.

OBSERVATIONS

The topic of school finance in the 1970s brings forth many different responses from different people. To the academician or to the fiscal reformer, the topic is of continuing concern as a pressing issue in educational research and just esoteric enough to remain outside the normal domain of the layman. To the educator, the topic is one of frustration since there is much talk of fiscal reform and yet school districts remain caught without reform in a cycle of inflation, increasing costs, and new demands for additional services, with a lessening of public enthusiasm and support for the schools.

To the layman, the topic is almost too difficult to comprehend since it is not easy to speak of school aid reform without resorting to terms designed for the specially initiated few. Terms like "equalized valuation per capita", "fiscal capacity", "revenue per child in average daily attendance", "power equalizing", and "local revenue yield for education" fill nearly all books, articles and studies devoted to the subject. It is almost as if the topic has been declared "off limits" for discussion or understanding by the public and even many of the public servants in the various cities and towns.

One of the goals of the survey administered and interviews conducted in this study was to sample the attitudes of school administrators, legislators, municipal and town officials, and laymen concerning the process of education in Massachusetts and the methods by which it is financed. A deliberate attempt was made to insure that the questionnaire items and interview questions were posed in a form that would not be overly confusing to the respondents. From the sampling, we can draw some interesting conclusions.

We started our study with assumptions that legislators and municipal officials might share the concern of educators about the relatively low percentage of state aid provided by the state to cities and towns to finance local public education. The question as to whether the responsibility for education belongs to the state or local government has traditionally been resolved in that such responsibility resided with the state. This responsibility is one of those "powers not delegated" to the federal government by the Constitution and therefore reserved as a function of the state. In Massachusetts, the state legislature, in the absence of specific constitutional mandate, has final authority over the financing of public education.

Through a series of legislative actions, the responsibility for education has been delegated to locally elected school committees. The fact remains, however, that the fiscal powers of school districts are strictly controlled by the state and it is the state that guarantees that the city councils and town meetings must appropriate the full amount requested by local school committees for the annual budgets which are required to operate the public schools. Additionally, and in a pure sense, local school districts may be altered, consolidated, or abolished by the legislature. The elected state representatives have the ultimate responsibility for the quality of education in the state. The legislature may have delegated this responsibility to local school districts but courts have consistently held that the state cannot abdicate its obligation to provide equal access to education for all its citizens.

In a collective sense, the states continue to acknowledge and affirm this responsibility. The National Legislative Conference unanimously adopted in 1972 a statement of policy in this area.

"Brown v. Board of Education set the stage for a new era of thinking as to the availability of certain fundamental rights to all citizens on equal terms. The case was based on two important assumptions:

(1) Education is perhaps the most important function of state and local government;

(2) It is doubtful that any child may succeed in life if he is denied the opportunity of an education.

The decision made it plain that there is no compelling state interest which will justify any radically discriminatory policy in public education.

Today, almost twenty years later, a new challenge is before the public and the courts - a challenge with ramifications as far reaching as those initiated by the Brown ruling. The courts are now being asked to consider the proposition that education is a fundamental personal right, protected by the state and being asked to rule that the present system of elementary and secondary educational financing, which is conditioned on the wealth of a child's parents and neighbors, is unlawful.

"The National Legislative Conference affirms the principle that all states have an obligation to provide an equal educational opportunity and quality education to all children attending public schools within their jurisdiction. We are in agreement with the principle established in Serrano v. Priest that the quality of a student's public elementary and secondary education should not be dependent on the affluence of his parents or school district. Regardless of future court actions, we believe the principle established by Serrano, so far as public education is concerned, is essentially reasonable and equitable and ought to serve as a policy objective for every state." (11)

The state of Massachusetts provides less than thirty percent of the revenue required to support public education in the state. Local communities are required to raise about seventy percent of these annual revenues, primarily through the local property tax. Only four states (Connecticut, Nebraska, New Hampshire, and South Dakota) provide smaller percentages of state aid to local communities and school districts (See Table 2).

While concern was expressed over the state's relatively low contribution to the financing of education and over the effectiveness of the existing program for reimburseable state aid, equal concern was also expressed over the quality and access of education to all students. When asked to what extent the existing school aid program was meeting the goal of helping to provide adequate state support for local education, less than six percent of the respondents indicated that they believed the existing program was meeting this goal.

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(11) Report of the National Legislative Conference Special Committee on School Finance. Adopted unanimously on August 3, 1972, by the National Legislative Conference at its annual meeting in New Orleans.

Chapter 70 school aid is designed to help provide adequate state support for local education. In your opinion, to what extent is the aid program meeting this goal?

	Not at all 1	2	3	4	To a great Extent 5
Superintendents	13	45	32	2	1
Representatives	3	31	24	6	-
Senators	1	9	10	1	-
Municipal Officials	7	18	18	2	-
	24	103	84	11	1
N = 223	10.76%	46.19%	37.67%	4.93%	0.45%
	56.95%			5.38%	

In this same general area of questioning, when asked the reasons as to why the existing aid program was not meeting its designed goal over half of the respondents indicated their belief that a lack of full funding was responsible and/or that weaknesses existed in the present program.

If, in your opinion, the existing school aid program is not meeting its designed goals, which of the following conditions might be responsible for this? (Note: 78.92% of the questionnaire respondents indicated that Chapter 70 aid was not meeting its designed goals.)

		Supt.	Rep.	Sen.	MO	Totals	
(a)	Lack of full funding of Chapter 70	61	18	5	24	108	61.36%
(b)	Inadequacy of equalization in property valuation	34	31	14	25	104	59.09%
(c)	Weaknesses of the present funding program (i.e., Chapter 70)	43	24	9	14	90	51.14%
(d)	Other factors	7	6	5	2	20	11.36%

N = 176

While concern for this area of funding was expressed, an even higher concern was registered over steadily increasing local school budgets (i.e., over 80 percent of the respondents identified increase of local school budgets as a high level of concern in their area of constituency.

In general, what is the level of interest over the following issue concerning schools in recent elections within your area or constituency?

	Low Level Not a concern				High Level Considerable Concern
Increase of school budget	1	2	3	4	5
Superintendents	-	5	13	33	43
Representatives	-	4	7	29	26
Senators	-	-	3	2	16
Municipal Officials	-	4	4	14	23
		13	27	78	108
N - 226		5.75%	11.95%	34.51%	47.79%
				82.30%	

The issue which emerges here is a reflection of both the political realities and frustrations associated with school financing. If education is seen as an important function of the state and there is no demonstrable full commitment on the part of the state to fund the performance of that function, then local communities are forced to raise the necessary funds from local taxes. This matter is serious in Massachusetts and is common to all states as observed by Joel Berke.

"The signs are unmistakable that the squeeze between rising costs and lagging educational revenues has finally caught up with many public elementary and secondary schools. Overall growth in expenditures, for example, has outrun the growth in the economy as a whole; during the last decade, education has averaged a 10.3 percent annual growth in expenditures while the Gross National Product has averaged just under 7 percent annual increase. When measured against the growth rate in per capita personal income per pupil educational expenditures are nearly three times greater. Finding the revenues to cover these expenditures has required increasingly more effort on the part of taxpayers. In 1961, state and local revenues averaged 4.0 percent of total personal income. In 1971/72 the comparable figure was 5.4 percent. As a result of these trends, rates of expenditures increase are no longer automatically matched by concomitant growth in revenue.

What makes this fiscal situation most alarming, however, is that, even if enlightened citizens groups, voters, and politicians succeed in raising more money for the schools, a significant crisis will still exist. We are faced with far more than a failure to provide adequate funds to support our schools in the style to which they have become accustomed. We are also confronted with a crisis in the equity and efficiency with which educational revenues are raised and distributed. In virtually every state in the union, systems of finance do not allocate resources in proportion to need; they are regularly providing less money to the school systems that face society's most costly and challenging educational tasks. In short we face a double-edged dilemma: a failure to provide adequate revenues in many school systems, and an inability to raise and allocate revenues efficiently and equitably." (12)

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(12) Joel Berke, Op. Cit., p. 8

The broad questions about the quality of educational programs also emerged as a persistent area of concern. In every item on the questionnaire concerning "quality" of education or access to "equal" educational opportunity, the responses indicated overwhelming (i.e., over two-thirds of the respondents reflecting a common reply) adherence to the idea that quality of equity was a high priority. Examples would include the following items and responses:

	Strongly Support	Mildly Support	No Opinion	Mildly Oppose	Strongly Oppose
	1	2	3	4	5
Equal educational opportunity requires local commitment to the interests of each student more than it requires money.					
Superintendents	42	29	4	7	10
Representatives	26	29	3	4	4
Senators	5	11	3	2	-
Municipal Officials	13	11	7	13	1
Totals	86	80	17	26	15
N-224	38.39%	35.71%	7.59%	11.61%	6.70%
	74.10%			18.31%	

	Low Level Not a concern			High Level Considerable Concern	
	1	2	3	4	5
Quality of schools - educational results being achieved					
Superintendents	3	6	29	44	12
Representatives	1	6	12	20	27
Senators	-	-	2	6	13
Municipal Officials	-	3	15	10	17
Totals	4	15	58	80	69
N-226	1.77%	6.64%	25.66%	35.40%	30.53%
	8.41%			65.93%	

The response to the question raised here brought forth an interesting perspective. While almost two-thirds of all respondents indicated that the achievement of educational results was a high level of concern, both legislators and municipal officials reflect a higher percentage interest than educators.

Questionnaire Group	Percentage Indicating High Level of Concern
Superintendents	59.57%
Legislators	75.86
Municipal Officials	60.00

At issue here is the growing concern by all elements of the communities that the schools should be more "accountable" for the way in which public funds are expended in the educational process. None of the individuals we interviewed would go to the extreme of saying that the schools should guarantee results. However, a wide spread concern was that the schools should make a more concentrated effort to insure that some reasonable "minimum" level of results - particularly in the area of basic skills - was achieved.

	Strongly Support	Mildly Support	No Opinion	Mildly Oppose	Strongly Oppose
	1	2	3	4	5
The quality of education a child receives is a product of the quality of life of the whole community - not the quality of his schools alone.					
Superintendents	33	41	2	12	5
Representatives	22	34	4	4	2
Senators	12	9	-	-	-
Municipal Officials	16	13	5	11	-
Totals	83	97	11	27	7
N-225	36.89%	43.11%	4.89%	12.00%	3.11%
	80.00%			15.11%	

Our interviews with individuals both in and outside the educational community uncovered some problems of definition in this area of "quality of educational programs" or "equal educational opportunity". In almost every case, definitions tended to reflect value judgments on the part of respondents more readily than precise understandings as to what elements went into "quality" education or what constituted equal access to "quality" education. The word "quality" itself was a difficult word to define. Though it carries a favorable connotation to most people, it is ambiguous and encompasses many complicated concepts.

Despite millions of dollars having been expended in educational research over a period of years, a lack of experimentally proven data on the learning process has afforded skeptics and critics of modern education to assert that more money for school does not necessarily mean better education. What is needed, one hears, is a commitment to quality and excellence in all that we do.

John Gardner, in his 1961 effort entitled Excellence: Can We Be Equal and Excellent Too? provides perhaps the definition which reflects the consensus of respondents to the questionnaire and of the individuals which we interviewed.

"Our kind of society demands the maximum development of individual potentialities at every level of ability.

The goal of the American educational system is to enable every youngster to fulfill his potentialities regardless of his race, creed, social standing or economic position.

The traditional democratic invitation to each individual to achieve the best that is in him requires that we provide each youngster with the particular kind of education which will benefit him."

Our study tended to uncover some attitudes among the representatives and municipal officials that seemed almost contradictory at times. On the one hand, individuals and groups expressed the position that schools had received preferential treatment in Massachusetts for a number of years. In their view more money for the schools without some appropriate sense of control over how the funds might be used would be a mistake and would not, in itself, help to rectify any proven situation of need in Massachusetts. As an example of this point, consider the responses on the following question.

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The cost of providing public services tends to rise at a faster level than the public funds readily available for distribution. In your opinion, what is the level of competing demand for tax resources between schools and other municipal services within your area of representation?

	Supt.	Rep.	Sen.	Mun. Off.	Totals	%
(a) competitive, priorities established by public	7	7	3	2	19	8.44
(b) competitive, priorities established by municipal officials	17	13	9	3	42	18.67
(c) competitive, schools receiving priority	40	26	6	35	107	47.56
(d) competitive, schools not receiving priority	5	-	-	-	5	2.22
(e) low level of competition between schools and other services	24	20	3	5	52	23.11

N - 225

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Of special interest here is the response of the different groups. While 40 of 93 superintendents (43.01%) agreed that the level of competing

demand for tax resources was competitive, with schools receiving priority. 24 of 93 (25.81%) felt that there was a low level of competition between schools and other municipal services. At the same time, 35 of 45 municipal officials (77.78%) felt that schools were receiving priority in the competition for public funds and only 5 of 45 (11.11%) expressed any conviction in the theory that a low level of competition existed.

In our interviews concerning this issue, we asked whether giving more funds to the schools would result in better education. Of the 37 people we interviewed, only 13 expressed any confidence that this would result unless a stronger sense of efficiency and "accountability" was fostered upon the schools.[13] The most prevalent comment stated in this area was the belief that additional funds to the schools would most likely result in higher teacher and administrative salaries along with the purchase of many "frill" items, such as excessive audio-visual equipment. The concern stated was that more money for the same services and staff would not automatically result in better schools. What would be needed would be a better process to determine how the money would be spent as well as a better way established to let the public know how school funds were being spent.

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(13) In a related study conducted in 1974 as part of the annual Gallup Poll of Public Attitudes Toward Public Education, when a representative sample of the American people was asked if doubling school expenditures would make a great deal of difference in student achievement, only 39 percent said yes.

Forty-eight percent of the people said the additional expense would make little of no difference. Thirteen percent didn't know if there would be any difference.

This attitude is from the same sample which, in another part of the Poll, generally gave schools above average marks for the way they were operating. Sixty four percent of public school parents gave the schools an "A" or "B" grade, with another 24 percent grading schools at "C" or average. Additionally, 62 percent of parochial school parents and 57 percent of adults without school age children gave schools an average or above average score.

This concept of public access to internal school information has received extensive publicity but it is not a new idea. In 1970 a study conducted by Joseph M. Cronin in collaboration with the Massachusetts Advisory Council on Education proposed that parent groups and school councils ought to be shown each year a profile of their school's resources and performance. They are entitled to this information which could be presented on an easily-prepared form which might include information to answer the following questions:

(1) How many teachers are in the school?

(2) How many years of experience, in local schools and elsewhere do they have?

(3) How many are new, how many tenured compared to the system average?

(4) What special programs are allocated to or conducted by the school, and what aides and extra staff have been made available?

(5) To what junior high or high schools have recent graduates gone and with what results (e.g., known dropout rates, college acceptances)?

(6) What are the test scores for each grade or level, by subject or skill areas, and with what patterns or special weaknesses, successes, or problems?

(7) What are the school's expenditures for:
   (a) teachers and counselors,
   (b) custodians,
   (c) books and materials,
   (d) repairs and alterations,
   (e) special staff, and
   (f) lunches

(8) What are projected enrollments for the next three years?

These data, not readily available in a convenient form, actually need to be shared and discussed with parents who then can help develop and support constructive programs of action. Each business firm has an end of year balance sheet. The cry for accountability in education is a plea for forthright reporting. Otherwise, the parent groups

and school councils may well withdraw their confidence and support.[14]

In a similar vein, the Governor's Commission on School District Organization and Collaboration recently issued its report which calls for a regular program of public disclosure. Under this model, each public school district should organize its resources and collaborative activities to provide its constituents with the following information.

A. A results-oriented school management program characterized by needs assessment, goal definition, careful consideration and selection of action or program alternatives (so-called program budgeting), long-range planning, meaningful opportunities for informed involvement of students and other citizens in decision-making, and systematic use of evaluation techniques.

B. A level of economy in school operations that is explained annually for the past fiscal year through a published and widely distributed report on cost comparisons with other districts of similar size and organization categories utilized in reports of the Massachusetts Teachers Association. Such an annual report should include at least the following:

(1) Ratio of full-time certified staff members or staff-member equivalents (including aides in differentiated staffing programs where the number of certified teachers has been reduced) to full-time students (two half-day students counting as one full-time student, etc.).

(2) Total expenditure per full-time student in
- (a) 1000 accounts (central administration)
- (b) 2000 accounts (instruction)
  - (1) salaries supporting instruction
  - (2) all other instructional expenses
- (c) 3000 accounts (non-instructional service)
- (d) 4000 accounts (operation and maintenance)
- (e) 5000 accounts (fixed charges)
- (f) 9000 accounts (cooperative programs)

(3) Staffing and expenditure comparisons among schools in the district in terms of disclosing local equalization and specialization of resources. Also, it could include such additional explanatory remarks as seem appropriate to the school committee with jurisdiction.[15]

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(14) Joseph M. Cronin, Organizing an Urban School System for Diversity Boston, Mass. Advisory Council on Education, Oct. 1970, p. 103

(15) The Governors Commission on School District Organization and Collaboration. Effectiveness, Efficiency and Equal Opportunity in the Public Schools of Massachusetts, MACE Report, Oct. 1974

There was also a strain running through the questionnaire and especially in the interviews that all children cannot be educated equally with a straight line equality of fiscal resources.(16) In the questionnaire, this position was best expressed by the response to the following question.

	Strongly Support	Mildly Support	No Opinion	Mildly Oppose	Strongly Oppose
Equal educational opportunity requires unequal allocation of funds to local school districts.					
Superintendents	54	21	9	7	3
Representatives	21	22	3	13	7
Senators	12	5	1	3	-
Municipal Officials	13	7	11	11	3
Totals	100	55	24	34	13
N-226	44.25%	24.34%	10.62%	15.04%	5.75%
	68.59%			20.79%	

(16) In 1972, the Massachusetts legislature passed into law a comprehensive special education law (Chapter 766 of the Acts of 1972). The law requires all cities and towns to carefully look at the manner in which students with special needs were being educated. In general, it had been established that "past development of special education programs has resulted in a great variation of services with special needs" and that "past methods of labeling and defining the needs of children have had a stigmatizing effect and have caused special education programs to be overly narrow and rigid."

The law became effective on September 1, 1974. From that time cities, towns, and regional school districts are required to meet the specific provisions of the law and to develop adequate programs within a reasonable period of time for ALL persons of ages three through twenty one who have not attained a high school diploma or its equivalent.

The new law has massive implications - both educationally and financially - for local school districts. However, the full publicity and impact of this law was only beginning in the spring of 1974 when our questionnaire was administered. The full consequences of the law were better understood during the period of our interviews and probably accounts for a stronger awareness of the problem of different costs for any special programs among this group. The problem of special needs for special students was a focal point of discussion in our interviews and the full understanding of the higher costs was keenly understood and appreciated.

Simply stated, children with special learning deficiencies caused by social or cultural deprivation or mental or physical incapacities can not always be served well in traditional school programs. And, the school programs geared to the needs of these students cost more than regular programs geared to students without any particular learning problems. In our interviews, the question was posed as to whether the state aid program in Massachusetts adequately measured or compensated for these higher cost programs. With the exception of several areas of limited categorical aid programs (Special Education, Occupational and Vocational Aid) funded on a straight percentage reimbursement basis, the general conception was that the state aid program did not adequately measure or compensate the differing educational needs. The suggestion heard most frequently was to provide proportionately more funds to school districts with large numbers of high cost students.

The phrase "proportionately more funds" presents a broad spectrum of problems to anyone who desires to translate that into a specific program of fiscal action. There are essentially three ways in which school districts may receive additional funding for high cost students.

(1) High cost students are identified according to some clearly defined categories and additional financial support is provided through the general aid fund. This may be through a system of pupil weighting or through some process of per pupil stipend. This can be either through reimbursement of costs or in so-called "front-end" money which anticipates the educational costs.

(2) Categorical aid programs can be established to reimburse school districts at some pre-determined percentage amount for legitimate expenses incurred in high cost programs.

(3) The state can recognize the extra cost aspect of such programs and assume the costs for properly identified students and programs. This process might be appropriate when the state mandates a minimum standard for such a program.

The many court cases of the late 1960s concerning school financing were based upon the premise that a child's education should not be contingent upon the wealth of the school district in which the student resided. In those cases,(17)

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(17) The most significant of these cases would include McInnis v. Olgilvie (293 F. Supp. 327 (N. D. Ill. 1968)), a challenge by inner-city Chicago residents to the method of financing education in Illinois; and which was one of the first cases to raise the issue of educational need as a factor in determining the doctrine of equity; Serrano v. Priest (96 Ca. Rept. 601, 487p. 2nd 1241 (1971)), a challenge to California school financing statutes based primarily on the federal equal protection clause; Van Dusartz v. Hatfield (334 F. Supp. 870 (D. Minn. 1971)) another equal protection challenge; and Rodriguez v. San Antonio Independent School District (411 U. S. 1 (1973)), a challenge to equal access to educational resources for property-poor school districts.

the standard of equality of educational opportunity required equal fiscal resources as measured in terms of property values since it was the local property tax that provided the bulk of local educational funds. There were few significant efforts to require the incorporation of educational need standards into the legal adjudication of equal educational opportunity.

An interesting exception to this situation was the revision of the process by which the state of Utah provides school funds. Utah's old system met many of the objections of school finance court cases in the period of the late 1960s and early 1970s. Additionally, the National Educational Finance Project findings showed that only Hawaii, with its system of full state funding, had a better system of equalization of resources within the state.

A study was commissioned in Utah by the state legislature to improve the system of funding even further. The result was a major revision of the process in 1973 which changed the measure of allocation from a general "distribution unit" to a "weighted pupil unit." The bill provided for an extensive system of weighting factors for ten categories of handicapped education, for small schools, for professional staff costs, for administrative costs, and for vocational education. In addition, the new process equalizes school district spending per weighted pupil.

The wave of cases and of school finance reforms concerned only with equalizing fiscal resources seems to have passed. Indications now would appear to signal the beginnings of new standards of equity in educational opportunity which may well consider wealth variations among school districts but also educational need variables among students. The first major court case to be decided in this so-called "new" generation of school finance cases has been the New Jersey case -- Robinson v. Cahill (287 A. 2d 187 (1972)). This case suggests that if a state has established qualitative goals of universal application to its system of public education, school finance reform may well be achieved by providing that the general objectives are not being achieved with regard to certain groups of students, and that one of the major factors contributing to this non-achievement is the lack of adequate financial resources. This case even went further into the issue by specifically stating that there may well need to be differences in costs to insure full educational opportunity.

Perhaps nowhere will this problem be better illustrated than in the fiscal plight of urban centers. Most large cities have higher than average wealth when measured in terms of either property valuations or adjusted gross income, but also have large numbers of socially and culturally deprived children.[18] To continue to consider only the equalization of fiscal resources among school districts while not equally considering the prevalence of high need differentials will not only not help but will continue to hinder the educational programs in cities.

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(18) This issue is extensively discussed in R. L. Johns, Kern Alexander, and Dewey Stoller. Status and Impact of Educational Finance Programs, Volume 4 (Gainesville, Florida; National Educational Finance Project, 1970) Conclusions in this area would include the fact that local revenues alone do not equalize educational opportunity for the culturally disadvantaged student. While state aid formulas have great potential for funding the higher per pupil cost of educating the students with greater need, there is often no provision for identification and compensating for the specific high cost programs.

The study concludes that if disparities are to be effectively reduced, either the state must adapt their allocation formula to all more effective identification of these students or hope for substantially increased federal funds - a hope with little chance of success in the near future.

To illustrate this point, Table 4 is provided to show the estimated percentages of "special need" students in selected urban school districts.

Table 4

	Physically or Mentally Handicapped	With a Special Learning Disorder	Title I Eligible	Vocational Technical	Total
Northeast					
Boston, Mass.	3.7%	4.7%	36.1%	1.5%	47.0%
Buffalo, N.Y.	4.0	N.A.	31.4	9.0	44.4
Pittsburgh, Pa.	3.8	.5	48.9	7.2	60.4
Midwest					
Chicago, Ill.	2.5	.1	60.8	27.1	90.5
Detroit, Mich.	2.6	.3	32.7	.6	36.2
Minneapolis, Minn.	3.8	7.8	16.8	2.9	31.3
St. Louis, Mo.	5.2	.2	29.8	7.0	42.2
Cleveland, Ohio	1.3	.1	43.1	6.7	51.2
Milwaukee, Wisc.	2.7	N.A	37.2	N.A	39.9
South					
Atlanta, Ga.	.8	.1	7.3	4.9	13.1
Houston, Texas	2.2	N.A	25.7	7.3	35.2
West					
Los Angeles, Cal.	1.9	5.2	34.6	12.9	54.6
San Diego, Cal.	1.5	.5	9.5	6.1	17.6
San Francisco, Oakland, Cal.	2.2	.8	32.4	1.9	37.3
Denver, Colo.	3.6	.9	16.4	5.2	26.1
Portland, Ore.	5.2	2.3	52.7	10.2	70.4
AVERAGE	2.8%	1.6%	30.3%	6.9%	41.6%

Table Source: Urban Schools & School Finance Reform: Promise and Reality by John J. Callahan et al, National Urban Coalition, p. 34.

Assuming that the figures provided in Table are accurate, Boston has over 36 percent of its total school enrollment qualifying for Title I assistance. The cost of educating these students is higher than the cost of educating students who would not quality as being either socially or culturally deprived. Some additional source of educational funds is mandated for the urban areas if any sense of equity is to be reached.

Information gathered from this study - including both the questionnaire and extended interviews with a number of individuals in and out of education - has provided the bases for a number of recommendations relating to the question of state aid and support of public education in the Commonwealth.

RECOMMENDATION NUMBER 1

ALL FUTURE ATTEMPTS AT SCHOOL AID REFORM SHOULD BE PURSUED WITHIN THE FRAMEWORK OF ORGANIZATIONAL REFORM FOR EQUALIZATION OF EDUCATIONAL OPPORTUNITY.

THE DEPARTMENT OF EDUCATION SHOULD WORK WITH THE ADVISORY COUNCIL ON EDUCATION AND OTHER APPROPRIATE RESEARCH AGENCIES TO DEVELOP AN ONGOING PROCEDURE TO IDENTIFY AND ACCOUNT FOR THE EDUCATIONAL NEED DIFFERENTIALS AMONG STUDENTS IN VARIOUS SCHOOL DISTRICTS.

Equal expenditures will not buy equal opportunity in the face of local and regional cost differentials or for children with different combinations of needs. A stronger system is needed to help local school districts guarantee the availability of basic and special services to all citizens.

School finance programs should not only be adjusted to compensate for dificiencies in a school district's fiscal ability, but programs should be modified as necessary to insure that some equity exists in the quality of a district's basic educational programs. Some mechanism to reasonably assess the quality of school district programs and the specific educational needs of its students needs to be evolved.

Simply stated, the existing school finance program in Massachusetts does not have the flexibility to adequately measure or compensate for the differences in educational needs of children. Any revision to the financing program should include provisions for proportionately providing financing increases to school districts with high incidences of high cost students.

A fundamental concern in this altered approach to state aid is to build in a commitment to be as concerned, if not more so, for the equity of educational opportunity as for the equity of fiscal ability.

Information has been presented in this section that concern for quality of educational programs as well as equal access to those programs was one of the major recurring themes which ran through both the questionnaires and interviews. (See Appendix C of this report.) This issue is also a major focus of the report issued by the Governor's Commission on School District Organization and Collaboration. To

paraphrase the approach afforded by that study, if our focus is excellence of service to all citizens, the state must act to ensure that no matter where a citizen resides he or she will be provided with convenient access to basic educational services.

RECOMMENDATION NUMBER 2

ALL FUTURE ATTEMPTS AT SCHOOL AID REFORM SHOULD BE PURSUED IN RELATION TO THE TOTAL PROGRAM OF PROVIDING AID TO CITIES AND TOWNS, NOT AS AN ACTION FOCUSED SOLELY ON EDUCATIONAL SERVICE INTERESTS.

Competition for state funds to aid the cities and towns in the Commonwealth remains at a high level. Too often, educators proposing reforms to the process of school aid have acted in a limited or parochial manner and have proposed solutions to educational problems which were politically and fiscally impossible. To avoid this continuing cycle of non-successful efforts to adjust only the educational facet of aid to cities and towns, future attempts at school aid reform must be coordinated with the taxation impact of all other governmental services.

Educators and others often become so convinced of the "rightness" of their arguments that there is a tendency to offer simplistic panaceas to solve problems of financing the schools. Most efforts at revising the aid formula in Massachusetts in the past few years have concentrated on the fact that there is inequity in the amount of money available for education in the various cities and towns because of inequities in the relative wealth of the towns. The real questions about the educational needs of the children of those towns have not been properly addressed and the shared responsibility for identifying new revenue sources has not been pursued with equal vigor.

Pragmatically, and although it will not be an easy thing for educators to accept, any major plan to alter the funding of education which involves increased state contribution will most likely be a tax equity question first and an educational equity question in the second instance. It is an issue that is resolved in the legislature and not any place else. Educational interest groups, tax reform groups, and fiscal conservatives can prepare a thousand plans but it is the legislature where the final plan is evolved. In virtually every state where major educational financing reform has been effected, it was legislative leadership which was able to draw together the many disparate elements and groups to forge the many final compromises which had to happen before new legislation was passed. School finance reform legislation alone rarely has sufficient support to be enacted - particularly when new monies or a major reallocation of funds is required.[19]

(19) See Joel Berke, Op. Cit., pp 163 f for discussion of this issue.

This point was the focal point of a recent study conducted by the Educational Governance Project at Ohio State University entitled State Policymaking for Public Schools: A Comparative Analysis. The study concluded that since education dollars inevitably must compete with an expanding public sector, decisions on school finance are normally based on political expediency (i. e., what can pass) rather than on the "best" education arguments.

The Ohio State report also focuses upon the strong influence of personalities and policy influence in any school finance issue. For example, it concludes that state boards of education lack substantive policy influence. Chief state school officers are often active in policy making but the report concludes that much of this reputation is more perceived than true. Teacher associations are ranked as the most influential at the state level, followed by school boards, administrator groups and teacher federations where they exist.

Although the traditional fragmentation of education groups has tended to create conflict, the various elements concerned about school finance issues - educators, legislators, governors, the general public- have come to see that they can live with conflict about educational issues, the report says. Finally, it says that although school finance reform is broad based, it also is highly technical, and only a few individuals make the key decisions. Since it is a political issue, finance reform ultimately depends on the political leaders.

In the questionnaire, answers to the following question reflected the perspectives of our respondents.

In your opinion, which of the following general patterns should the re-examination of school finance programs and the distribution of state funds follow?

N-226	Supt.	Rep.	Sen.	Mun. Off.	Totals	%
(a) equalization of educational opportunity is a high priority and school finance reform should be evolved as soon as possible	40	19	9	16	84	37.17
(b) school finance reform is only a part of general fiscal reform and should be considered as one part of a comprehensive reform package	48	42	8	26	124	54.87
(c) school finance reform is important but other fiscal reforms have higher priority	2	-	-	-	2	0.88
(d) the case for changing methods of financing education have not yet been proven	4	5	4	3	16	7.08

At the same time, however, school aid reformers must consider that aid to cities and towns is available in areas other than school aid reimbursements. School aid can not solve all the problems of urban areas - either in the form of property tax relief or in the area of freeing additional funds for other municipal services.

State aid to education should be just that - and not an effort to help cities solve problems of fiscal over-burden in other areas. State aid to education should be carefully alloted so that school districts are able to use those funds directly for the maintenance and improvement of educational services.

State aid is allocated on a school aid, not municipal aid, basis, but it is paid to the cities and towns, since school districts are not fiscal agents. School aid comes as a reimburseable expenditure, meaning that its amount is determined by what the districts have spent in a prior year. It is not identified with current school budget decisions, since it is the reflection of budget decisions of previous years. No one knows for certain if the Legislature will fully fund state aid entitlements. Since entitlements are determined in part by averages that no one can accurately predict until after the fact, no one can with confidence relate a decision on a new expenditure level to the distribution formula. It is also difficult to predict with confidence what school costs the local property tax will have to bear. There is no conclusive evidence as to whether additional state aid would go to schools, to other municipal services, or to tax relief. Increasing aid levels would alone do nothing to resolve these conflicts, whatever it might do as a tax equity measure.(20)

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(20) See Paul Cook, Op. Cit., p.13 for further discussion on this issue

RECOMMENDATION NUMBER 3

CHANGES AND PROPOSED CHANGES IN SCHOOL AID DISTRIBUTION SHOULD BE REFERRED TO A LEGISLATIVE COMMISSION ON EQUAL EDUCATIONAL OPPORTUNITY.

THE GENERAL COURT SHOULD TASK THIS SPECIAL LEGISLATIVE COMMISSION WITH THE RESPONSIBILITY TO ISSUE GUIDELINES CONCERNING FISCAL REFORM TO INSURE THAT ALL PROPOSED REVISIONS TO SCHOOL AID FUNDING BE FORWARD LOOKING AND PLAN FOR PROJECTED NEEDS OVER A MINIMUM PERIOD OF SEVEN-TEN YEARS.

As the state is increasingly called upon to fund greater percentages of the cost of public education in the Commonwealth, pressures will evolve for the state - through the State Board of Education- to assume a greater degree of control and regulation over issues which have traditionally been resolved at the local level. A policy issue which needs early resolution is the nature and scope of the state's responsibility to individual students and how the exercise of that responsibility may effect the role of local school districts.

Every school finance study of merit has established the position that local revenues alone cannot equalize educational opportunity for students with special or distinct needs. If there is a commitment to the concept of "equal educational opportunity" then eventually the more equalizing power of state funds will have to be increased in percentage to fund local schools. The opportunity exists now to use the Special Legislative Commission to serve as the study group and the clearing house for all proposals to change the state process for school aid. The Commission could also work with the State Board of Education to help define the basic issue involved in school finance - what is the legitimate responsibility of the state in the financing of public education?

If a general statement of policy could be established on that issue then the other questions of "how" and "when" in relation to school aid are made a little less complex. If such a policy could be evolved, then the fundamental priority questions and decisions on aid to cities and towns as well as the whole area of social services could then be made in a more reasoned framework.

As an example, if the state share of financing local education was known and a commitment to full funding was established, local school districts could be more involved in the improvement of education and not so

heavily involved in the political games necessary to explain and justify high school tax impacts in the local towns and cities. The following item from the questionnaire is applicable at this point.

	Strongly Support	Mildly Support	No Opinion	Mildly Oppose	Strongly Oppose
Public education in the state would be improved if educational decisions at the local level could be completely divorced from considerations of local taxes					
Superintendents	62	19	--	9	4
Representatives	19	14	6	23	4
Senators	3	2	6	9	1
Municipal Officials	19	15	2	7	2
Totals	103	50	14	48	11
Percentages	45.58%	22.12%	6.19%	21.24%	4.87%
N-226	67.70%			26.11%	

A related part of this recommendation would be that a strong case exists for the re-activation of the Master Tax Plan Commission. As has been stated several times above, it does little good to develop educational finance plans without a comprehensive financing plan. The Master Tax Plan Commission has done high quality work in the past and could be counted upon to analyze the state's fiscal position and projections and could come up with a long range plan which would enable the entire aid to cities and towns to be reviewed and possibly updated.

Throughout this report an effort has been made to establish the fact that any revisions to the process of allocating school aid needs to be a part of a comprehensive look at the state's system of revenue raising and allocation of funds. It is equally important that the raising of revenue be equitable. The MACE study conducted by the Massachusetts Taxpayers Foundation entitled "Massachusetts Taxes: A Factual Guide to Future Action" discussed this issue in some detail.

Resources and skills exist now to project the social needs of the state's population over a reasonable period of time. A conceptual framework needs to be established, however, that will enable individuals and agencies proposing changes in existing legislation to know legislative goals and priorities.

In addition to the basic consideration called for in recommendation number 2, examples of issues in which goals and priorities might be established could include the following:[21]

(1) What are the legitimate financial needs of the public schools and how might those needs be met considering the other legitimate needs for other governmental services and the financial ability of the state?

(2) What level of educational opportunity should the state guarantee to all students?

(3) How much latitude should a local district have to spend local funds above the established level of basic equity?

(4) Should a commitment to work toward a defined level of support by the state in financing education be publicly established?

(5) If a level of substantial funding increase for public education by the state is established, will the philosophy of local control of schools be materially altered?

(6) What level of evaluation and "accountability" will be established to help local school districts insure that increased state funding will actually result in improved education for all students?

(7) What new or adjusted sources of revenue might be needed to insure proper funding of legislated aid programs?

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(21) This concept of having the legislature publicly establish goals and priorities was a fundamental part of the National Educational Finance Project in the studies related to the planning for the financing of education.

At the heart of this recommendation is the desire to have a clear articulation of the state and the local responsibilities in public education. One of the oldest "truisms" is that control of a process is vested in the hands of the funding source. With any substantial increase in state support of local education will come the pressures for the state to assure that the expenditures of state funds are being conducted in such a manner that true opportunity for access to quality education is afforded to all students.

Any increased state role in the evaluation of programs and the establishing of priorities for the local systems may, at some point, conflict with the tradition of local control. The intent of this recommendation is to set the ground rules for an appropriate balance between local and state educational groups in regard to "control" of the schools. Obviously, some balance is reasonable and should be understood at the same time that a different funding program was instituted.

The situation is not one which is unique to Massachusetts. In response to the court decision in the case of Robinson v. Cahill we mentioned earlier, the New Jersey Tax Policy Committee recommended that local school boards would continue to be responsible for the following areas even though the primary responsibility for funding would be the state:

(1) Local educational programs;
(2) Staffing ratios;
(3) Appointment of personnel;
(4) Selection and implementation of auxiliary services;
(5) Work conditions and assignments;
(6) Administration and management of the school system.

This combining of centralized financing with decentralized control of the schools will take time as changes are affected in the traditional concept of governance. The state government will have to relinquish some of the control it would normally exercise as a result of its fund raising authority. The local school systems would retain enough autonomy to assume the responsibilities listed above while relinquishing the authority to determine how much would be raised and in what manner.

In Massachusetts, the perspective on local control is fairly traditional. The following item from the questionnaire reflects attitudes about local control and the quality of education.

	Strongly Support	Mildly Support	No Opinion	Mildly Oppose	Strongly Oppose
The quality of education depends upon the preservation of local control of the schools.					
Superintendents	38	35	2	13	5
Representatives	21	18	3	21	3
Senators	8	3	1	9	-
Municipal Officials	19	8	3	9	5
Totals	86	64	9	52	13
Percentages	38.39%	28.58%	4.02%	23.21%	5.80%
	66.97%			29.01%	

N-224

RECOMMENDATION NUMBER 4

THE STATE SHARE OF FUNDING PUBLIC EDUCATION SHOULD BE INCREASED THROUGH A PLANNED INCREMENTAL PROGRAM TO AN EVENTUAL PERCENTAGE LEVEL OF FIFTY PERCENT.

The recommended level of state aid to public education is an arbitrary one. It is based, however, upon several points worthy of consideration.

(1) The level of effort for financing public education by the state in Massachusetts is low when compared to the national averages and, except for New Hampshire, it is low even for New England. The national average for the share of revenue of the states for schools is 43% and is showing a slight increase each year. Massachusetts currently (1973-74) contributes only an estimated 24.2% of the revenue for operating the public schools.

(2) Massachusetts is a comparatively wealthy state with considerable fiscal capacity. An in-depth analysis is needed of the effectiveness of the various revenue sources but only to determine how to better raise the necessary funds. The state does have the capacity to raise and generate revenue if a commitment is exacted to do so.

(3) The personal tax burden from residential property taxes in Massachusetts is almost sixty percent above the national average. By most measures, the general property tax in this state is the nation's highest: (22)

(a) In relation to population, it stood first in 1972-73 - the latest census - with $358 per capita, followed closely by Connecticut, New Jersey, and California. The United States average was $216 per capita.

(b) In relation to personal income, it also stood first in 1972-73. Massachusetts property taxes of $74.11 per $1000 of personal income far exceeded the national average of $48.41.

(c) In relation to the value of taxed property, it stood first for single-family homes, according to FHA statistics as shown in table below.

While a significant reduction in this particular tax burden would not appear likely or practical, it is reasonable to substantially alter the use of monies raised by the general property tax. If a significant percentage of the school operating expenses were eliminated from the yield of the local tax, it would permit local communities to use more of the property tax yield to raise municipal revenues. Without the heavy school expenses, the rate of increase for the local property tax would be slowed considerably.

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(22) Massachusetts Taxes: A Factual Guide to Future Action. MACE Publication, December, 1974, p.6

Table 5

Average property tax per $1,000 of sales price of existing FHA-financed single homes in 10 highest states: 1972

Rank	State	
1	MASSACHUSETTS	$33.79
2	New Jersey	30.30
3	New Hampshire	32.92
4	Nebraska	32.89
5	Wisconsin	32.47
6	Iowa	28.54
7	New York	28.29
8	California	27.56
9	Colorado	27.09
10	Vermont	26.92
11	South Dakota	26.75
12	Connecticut	26.38
13	Maine	24.74
14	Maryland	24.48
15	Oregon	24.06
16	Illinois	23.29
17	Kansas	22.76
18	Rhode Island	22.65
19	Michigan	22.27
20	Indiana	21.70
	50 States	21.14

(4) Given the disparity in fiscal capacity of the various cities and towns, fifty percent is a practical average to work toward to provide adequate funds for financing education.

The decision to recommend fifty percent as the average amount for the state to assume funding responsibility is based on two factors. One, the amount is a reasonable increase in light of the real world constraints facing the Commonwealth at the present time and in the near future. It is a substantial increase from the present level of funding and would move Massachusetts from its present ranking of 45th to approximately 18th position among the states in percentage support to public education. This, in itself, would be a movement in terms of commitment for the state to assume increasing responsibility for the cost of public education.

In the second instance, the level of fifty percent reflects the median expectations of the respondents to the questionnaire.

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At the present time, Chapter 70 aid is supposed to provide an average of 35 percent of the reimburseable expenditures of the educational costs of the cities and towns. In recent years the actual percentage has ranged between 25 and 28 percent. If the level of aid was to be changed, what in your opinion, would be the optimum average percentage of state reimbursement?

	Supt.	Rep.	Sen.	Mun, Off.	Totals	%
Less than 35 percent	--	--	--	--	--	--
45 percent	11	14	3	8	36	16.51
50 percent	27	23	12	20	82	37.61
65 percent	42	8	2	6	58	26.61
90 percent	12	17	4	9	42	19.27
Present funding is adequate	--	--	--	--	--	--

N - 218

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While considerable support (45.88 percent) is shown for an average level for state support of at least 65 percent, the majority of those respondents are superintendents with an obvious interest in the higher state contribution. The amount which tends to represent a more balanced position is 50 percent.

It should be noted that whereas an average percentage increase from 35 to 50 percent would be a substantial increase, full equalization would not result. Considerable fiscal pressure will still remain on the local property tax. Additionally, if no constraint was placed on local spending, the differences between communities would remain although the relative gap would be slightly reduced. The effort to move the state share to fifty percent would represent an increased commitment to the goal of equalization - both of fiscal support and in expanding the resources available to students.

It should also be noted that in formulating any process to increase the state's share of school aid, it would be imperative that the steps to reach the stated goal be realistic and that there be a commitment to fully fund that level of support and that the change be a part of a comprehensive revenue bill.

The movement from the existing level of state funding to fifty percent would require a massive increase in school aid if it were to be accomplished in a single or even in two steps. Using the 1973-74 distribution year as an example, total new money in the amount of approximately $200 - $300 million would be required. Obviously, this amount of money would not be available without major new state revenue sources. Our proposal would be that the increase be accomplished in the following manner:

Year of Enactment	Percentage of State Aid
1	35% - Legislature fully fund existing level
2	38%
3	42%
4	46%
5	50%

While it is difficult to precisely project the level of statewide public education expenses over a five year period, it can be assumed that overall expense will continue to rise at 10-12 percent annually. Therefore, using that as a base-line, the estimated annual average amount of new funds to raise the level of state aid to fifty percent would be approximately $70 - 80 million annually for five years.

RECOMMENDATION NUMBER 5

AS PART OF THE COORDINATED STUDY OF AID TO CITIES AND TOWNS, THE GENERAL COURT SHOULD UNDERTAKE A PROCESS WHEREBY LEGITIMATE AND AUTHORIZED AID PROGRAMS ARE FULLY FUNDED.

Aid programs to cities and towns are established by statute and represent a fiscal commitment from the state to its communities. Consistent underfunding of the various aid funds only tends to make the inequities which justified the establishment of the aid program more pronounced. As an example, Chapter 70 contains the provisions for general educational aid to the cities and towns and it has only been fully funded twice since it was established.

In the section of the questionnaire which dealt with the existing aid program, 56.95% of all respondents expressed their opinion that Chapter 70 as it was being administered was not doing the job it was designed to do. In a related question as to why this was so, 61.36% of the individuals responding identified the lack of full funding as one of the most significant reasons for the existing aid program not working as it was designed.

The net effect of this practice can perhaps best be stated by an observation in the study of school finance in Massachusetts conducted by John J. Callahan and William H. Wilken for the Massachusetts Teachers Association in 1973.

"Though the state does not vigorously participate in educational finance, it does channel its modest State aid in a form that recognizes variations both in educational need and local fiscal capacity. For example, in 1968 - 69, Massachusetts distributed 97 percent of its support in a form which recognized (1) educational need or (2) fiscal capacity or (3) both. Contrast this 97 percent Massachusetts aid figure with that of the national average of 77 percent.

While Massachusetts has a form of equalizing aid system, its underfunding of that program permits the State to have a school support system that is disequalizing in practice. As noted by the National Educational Finance Project, Massachusetts ranked 33 among all states in its equalization performance. Indeed, 6 of the 7 other states that had a State aid program in the form of Massachusetts' had higher equalization scores as of 1970. Massachusetts has a State aid vehicle which could put substantial equalization into its school finance system. However, it simply chooses not to use it." (23)

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(23) John J. Callahan, Jr. and William H. Wilkin, Education Finance Reform in Massachusetts. A study conducted for the Massachusetts Teachers Association, 1973, pp. 33 f.

RECOMMENDATION NUMBER 6

THE GENERAL COURT SHOULD ESTABLISH, AS A HIGH PRIORITY, THE STRENGTHENING OF THE PROCESS FOR INSURING EQUITY IN THE ASSESSMENT AND ADMINISTRATION OF THE PROPERTY TAX.

Specifically, this recommendation would involve three areas:

(1) The state Tax Commission would be strengthened by insuring that it was given sufficient executive support, legal authority, and professional stature to insure full local compliance with state laws calling for uniformity of property tax assessment.

(2) Training and certification of local assessors would be improved to insure that assessors are selected on the basis of demonstrated ability to appraise property.

(3) All cities and towns would be required within a stated and reasonable time to cease the practice of fractional assessment and to assess all property at full value.

This recommendation is in consonance with the recent ruling with the state's Supreme Judicial Court that partial assessment by towns is not legal and should be terminated.

Problems associated with the need for greatly improved methods of equalizing local property values has been well documented - in this state and others. By not having all towns at or near full value assessment, the following problems remain:

(1) The State Tax Commission is required to use partial data to estimate the full values of property in each city and town. In 1973, nine towns revalued their property and in each of the nine, the reappraised value of property exceeded the tax commission's estimates by significant amounts - i.e., by more than 60%.

(2) The state consistently underestimates full property values and this results in an exaggerated picture of the relative weight of Massachusetts property taxes.

(3) Underestimated property values in equalizing the values for use in state aid formulas results in a penalty for those cities and towns which have revalued their property. The result of this is that the communities which have not made an effort to revalue their property appear as being poorer than they are and, therefore, those towns receive significantly more in state aid than they are entitled to receive.(24)

It should be noted that in both the questionnaire and in the interviews, almost sixty percent of the respondents identified poor assessment practices as major concerns in the process of state aid entitlements.

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If you believe that the existing school aid program is not meeting its designed goal, is the inadequacy of equalization in property valuation and assessment a factor?

Group	Number Responding Affirmative	
Superintendents	34	
Representatives	31	
Senators	14	
Municipal Officials	25	
Total	104	59.1%

N - 176

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(24) Information and analysis in the area of assessment and equalized property valuation was facilitated by data and publications from the Massachusetts Taxpayers Foundation.

RECOMMENDATION NUMBER 7

THE DEPARTMENT OF EDUCATION SHOULD ESTABLISH A PROCEDURE WHEREBY EDUCATIONAL PROGRAM COST DIFFERENTIALS ARE COMPUTED BI-ANNUALLY AND ARE USED TO DETERMINE STATE AID TO CITIES AND TOWNS IF THE STATE AID PROGRAM IS SO MODIFIED.

These cost differentials would be expressed in terms of weighted ratios and would include, as a minimum, the following types of educational programs:

(1) Regular day, basic elementary grades 1 - 6
(2) Regular day, grades 7 - 9
(3) Regular day, grades 10 - 12
(4) Kindergarten
(5) Programs for students with special learning needs
(6) Other special programs under Chapter 766, Special Education Law
(7) Bi-Lingual programs
(8) Occupational and vocational training
(9) Continuing Education programs
(10) Programs for disadvantaged students (Title I definition)

As the structure of society has become more complex, so has the problem of identifying specific needs for specific children in a changing social environment. School officials are forced to plan programs which are undercut by continuing migrations and shifting of students, by increasing social malaise and discontent, and by high concentrations of students with serious educational handicaps concentrated in urban areas. A reduction in the population in rural areas coupled with a statewide stabilizing or declining birth rate, has had an uneven and artificial inflationary effect on per student cost in many districts. All of these factors have added to the difficulties in keeping up-to-date in the measurement of educational and financial needs in the state.

Increasingly, school aid programs are attempting to measure the financial costs of designated program categories. These programs can then be described in terms of comparable work or service of the school staff, the target student population served, essential materials and facilities required as well as in their relationships to other programs. In this regard, the total educational program can be broken

down into programs as functional components which can then be related to students, their needs and development.[25]

The recommendation that there be at least nine categories of educational programs in any new school aid program in the Commonwealth includes those categories in current use around the country and in Massachusetts. These may be altered or modified as future needs of students might dictate. The procedure is designed to identify the target population through diagnosis of student need rather than using other indirect methods of cost estimation such as trying to anticipate the numbers of students having special educational needs or who might come from low income families.

This recommendation is a reflection of the attitudes and stated opinions of both the questionnaire respondents and the interviewees that methods for improving the quality of school programs and access to those programs be evolved. It is also consistent with new legislative programs to provide state aid to education in North Dakota, Utah, and Florida.[26]

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(25) Roe L. Johns et al. Financing Education: Fiscal and Learning Alternatives. Columbus, Ohio: Merrill Publishing Company, 1972, pp 194 ff

(26) Major School Finance Changes. A report of the Education Commission of the States. June 8, 1973

RECOMMENDATION NUMBER 8

THE GENERAL COURT AND ALL EDUCATIONAL AGENCIES SHOULD CONTINUE THEIR EFFORTS WHICH ARE DESIGNED TO RETAIN FISCAL AUTONOMY OF LOCAL SCHOOL COMMITTEES OVER DECISIONS CONCERNING THE OPERATING EXPENSES OF LOCAL SCHOOL DISTRICTS.

In paraphrase, the New Jersey case of Robinson v. Cahill may have established the basic tenet for school finance reform - the education of a community's youth is too important a function to be left to the fluctuating moods, and in some cases the low aspirations, of the taxpayers in a school district.

Much has been said about the question of fiscal autonomy for the school committees of Massachusetts. While the "taxpayers' revolt" has not hit Massachusetts with the severity it has in other states, it may be assumed that a round of new taxes in the state could cause an increased demand for budget cuts in all areas but particularly in education. Here, frustrations over not being able to control or cut local school budgets reaches an annual crescendo every spring. An indication of the extremes to which this frustration might go is indicated below.

"Increased resistence to school support and its results are evident at each level of government, but the taxpayers' revolt has been particularly acute at the local level recently. In California, thirty districts went badkrupt (and required state loans to continue operating) and 60 percent of the proposed increases in school taxes and new bond issues were rejected by voters in 1970/71. In Michigan, twenty of twenty-five requests for higher property taxes were rejected and thirty-six of ninety-one requests to continue current rates also failed to pass. New Jersey suffered its highest rate of budget defeats in history. New York in 1970 fell just one short of equaling its 1969 all-time high of 120 budget defeats. These actions had a serious impact on school programs. In California in 1971, the number of teachers employed dropped by nine thousand while enrollment climbed by one hundred thousand. In Michigan, 4,480 teachers and 248 administrators were notified that they would not be rehired in the fall of 1971. In New York State, a study of budgetary adjustments in 1969/70 showed a net reduction in staff for English, foreign languages, guidance, psychological services, art, and music.

Individual districts use a bevy of administrative practices that were never taught in educational administrative courses. Four years ago, in Champaign, Illinois, teachers were paid with vouchers that local banks agreed to cash on the understanding that bonds could be sold to redeem the scrip. In big city districts where the crises has been most acutely felt in recent years, teachers have been laid off (in Cincinnati, New York, Chicago, Los Angeles, and Detroit), schools have seriously considered closing early (in Philadelphia), class size has been increased (in Detroit and New York City), experimental programs have been eliminated (in Detroit and New York City), school hours have been shortened (in Los Angeles and Cincinnati), libraries shut (in Cincinnati), and the next year's revenues used for the current year's payrolls (in New York City." (27)

In Massachusetts, considerable interest and concern has been shown over this issue in local communities. An assessment of this concern was indicated in one area of the questionnaire.

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In general, what is the level of interest over the following issue concerning schools in recent elections within your area or constituency?

	Low Level Not a Concern			High Level Considerable Concern	
	1	2	3	4	5
Fiscal autonomy of school committee					
Superintendents	5	11	28	28	22
Representatives	3	4	19	27	9
Senators	-	2	5	9	5
Municipal Officials	3	7	15	7	13
	11	24	67	71	49
N - 222	4.95%	10.81%	30.18%	31.98%	22.08%

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In response to the question concerning retention of fiscal autonomy, the respondents to the questionnaire did not all agree on support of the concept.

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(27) Berke, Op. Cit., p. 9. This issue is also discussed in considerable depth in Philip K. Piele and John Stuart Hall, Budgets, Bonds, and Ballots. Lexington, Mass: D. C. Heath and Company, 1973.

Respondents were asked to indicate the level of acceptance or non-acceptance of the following statement.

"Fiscal autonomy of the local school committees provides a means to avoid local underfunding of school programs. Such fiscal autonomy should be retained."

	Strongly Support	Mildly Support	No Opinion	Mildly Oppose	Strongly Oppose
	1	2	3	4	5
Superintendents	72	19	1	-	1
Representatives	19	14	3	7	23
Senators	8	5	1	1	6
Municipal Officials	9	11	3	9	13
	108	49	8	17	43
N - 225	48.00%	21.77%	3.55%	7.55%	19.11%
	69.77%			26.66%	

The different responses by the three groups - educators, state legislators, and municipal officials - perhaps reflect better than any other indicator the frustrations over the issue. All groups had indicated an overwhelming support of education. Only a relatively small percentage of respondents had indicated any level of non-trust between municipal officials and school committees. (Less than 35 percent of all respondents indicated that they believed that a low level of trust existed between municipal officials and school committees. It should be noted, however, that almost half (47.50%) of the respondents including 77.78% of the municipal officials believed that schools did receive priority in the demand for tax resources.)

In the area of fiscal autonomy, however, the separation between municipal officials and superintendents is particularly telling. Over two-thirds of the respondents indicated that fiscal autonomy should be retained. However, this figure includes 97.84% of the superintendents. Only 44.44% of the municipal officials and only 52.87% of the legislators favored retention of fiscal autonomy for school committees. This percentage break-down closely parallels the recent votes in the state legis-

lature over the issue. The school officials overwhelmingly support the issue, the municipal officials are split but tend to oppose the matter, and the legislators are closely divided.

In many instances the opposition of fiscal autonomy reflects a genuine concern for the growing tax burden on the cities and towns. It should be noted that education, like other social services, is expensive. The legitimate and proper delivery of education programs to students in a community is of especial importance and should not be subverted or reduced by emotional pressures.

RECOMMENDATION NUMBER 9

THE STATE BOARD OF EDUCATION SHOULD EVOLVE A PLAN TO ESTABLISH A HIGHER DEGREE OF SHARED RESPONSIBILITY WITH LOCAL SCHOOL COMMITTEES IN THE FOLLOWING AREAS:

(1) EDUCATIONAL GOALS AND PRIORITIES SETTING
(2) ESTABLISHMENT OF MINIMUM STANDARDS
(3) LEVELS OF ACADEMIC PROFICIENCY
(4) EVALUATION OF EDUCATIONAL PROGRAMS
(5) SCHOOL DISTRICT SIZE AND ORGANIZATION

A traditional belief in education has been that educational decisions should be made on the lowest level where they can be made efficiently. It would then follow that decisions should not be made on the state level if they can be efficiently made on the local level.

On the other hand, control of the decision-making process naturally tends to move to the level where the source of funding resides. If school aid is effected and the state share of local school educational expense is increased, it may be assumed that pressures for increased state control of local education will soon follow.

The State Board of Education might be able to anticipate this pressure by evolving a process of shared decision-making with local school committees in advance. The five areas listed above are areas in which shared responsibility might effectively exist. The responsibility for local budget review and approval as well as negotiating staff and teachers' salaries would continue to reside with the local school committee.

The rationale for this recommendation is based upon the tradition of localism which has survived in Massachusetts until the present day. This is, of course, a strong Massachusetts heritage, rooted in a history of village democracy. At its best, the tradition nourishes the strengths of self-reliance. At its worst, however, it spawns parochialism, inefficiency, and internecine bickering. In Massachusetts today, the tradition of localism has combined with state leadership to thwart efforts at the kind of coop-

eration and improvement that exchange of information and experience might yield.[28]

One consequence of Massachusetts localism is an idiosyncratic pattern of local school districts, a jumble of confused jurisdictions and uneconomic units, that make rational planning of a state level exceedingly difficult. It has the added consequence of creating breaks and disruptions in the articulation of any one child's education from first through 12th grade.[29]

The Governor's Commission Report on School District Organization and Collaboration explored in depth the problems resulting from the many operating and overlapping school districts in the state. One of its major recommendations is that strong action be taken to encourage the elimination of many of the small and inefficient school districts.

"The State Board of Education should follow three basic directions in approving proposals for formation of new or expansion of existing school districts:

A. Develop K - 12 School Districts that:

   1. Adequately meet the needs of all towns in a particular area, excluding no community that needs membership to serve its students properly.

   2. Encompass an adequate pupil base. Refer to appendix A for guidance on this criterion.

   3. Expand partial regional districts to include all grades in their member towns. Refer to appendix B for guidance on this criterion.

B. Develop K - 12 School Districts that possess the capability of providing a high quality of service in each of the nineteen categories listed in this report.

C. Develop an administrative system in which a superintendent is responsible to only one school committee no matter how many communities are served."[30]

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(28) See The Governors Commission Report on School District Organization and Collaboration.

(29) This issue has been discussed in some detail in the MACE Annual Report of 1971: Massachusetts Schools: Past, Present, and Possible.

(30) Governor's Commission Report on School District Organization and Collaboration, Op. Cit., Recommendation #3

While this approach is designed to eventually correct the problems in delivery of educational services, it would take much influence and encouragement to fully accomplish. In the interim, the approach of the State Board actively involving itself more conclusively in the issues listed above would help to make the quality of educational programs more consistent.

This question and related areas were discussed in the questionnaire and in our interviews. In some areas, there appeared to be both political and educational support for an increased state role.

Listed below are a series of possible guidelines related to school district organization which might be established to restructure a program to finance public education. Indicate whether you would attach Considerable (C), Much (M), Little (L), or No (N) importance to each possible guideline by circling the appropriate letter.

(a) Changes to state aid programs may necessitate some school district reorganization. State-wide studies should be instituted to determine the extent of the need for re-organization.

	C	M	L	N
Superintendents	31	39	14	5
Representatives	11	11	31	11
Senators	3	7	6	5
Municipal Officials	10	8	18	8
N - 218	55	65	69	29
	25.23%	29.82%	31.65%	13.30%

(b) Reorganization of school districts should result in an equalization of fiscal resources insofar as this is feasible.

	C	M	L	N
Superintendents	44	27	11	6
Representatives	10	23	17	14
Senators	6	10	5	-
Municipal Officials	13	19	9	2
N - 216	73	79	42	22
	33.80%	36.57%	19.44%	10.19%
	70.37%			

(c) Provisions should be included which would enable small school districts to continue if the citizens so desired.

	C	M	L	N
Superintendents	19	23	32	16
Representatives	15	29	15	5
Senators	7	7	6	-
Municipal Officials	13	7	21	2
	54	66	74	23
	24.59%	30.41%	34.10%	10.60%
		55.30%		

In two of the instances cited above, the stated importance of guidelines indicates a significant majority favoring or showing interest in some aspects of reorganization. On the other hand, a majority also express interest in providing provisions for a small school district to continue if the citizens so desired. Of interest is the fact that in the third question a majority of superintendents and municipal officials express a low importance to this issue while legislators express significantly more importance to the guideline.

RECOMMENDATION NUMBER 10

ANY PROPOSED CHANGES IN THE STATE FUNDING PROGRAM FOR AID TO CITIES AND TOWNS SHOULD CONTINUE TO INCLUDE SOME FORM OF INCENTIVE TO ENCOURAGE SMALL SCHOOL DISTRICTS TO FORM OR JOIN REGIONALIZED SCHOOL DISTRICTS.

These incentives should be forward looking and include proposals which plan for the overall anticipated educational needs of school districts for a period of at least ten years. Such incentives might encompass but not be limited to the following areas:

(1) Examination of existing statutes and regulations to repeal or eliminate those provisions which retard or discourage school district reorganization;

(2) Guarantees that local school districts will not completely lose their identity in the larger regional district. Maximum citizen involvement should be sought in the development of plans, establishing school committee composition and representation, and the development of proposed legislation (if required);

(3) Optional provisions for regional school districts to assume bonded debt and receive state support for retiring debt previously incurred by smaller districts prior to regionalization;

(4) Increased percentage of state assistance for school or facilities construction which might be needed as a result of regionalization;

(5) Incentive bonus aid in the form of reimbursed per-pupil costs for regionalized school districts;

(6) Fully funded transportation reimbursement aid to cover the costs of transporting students within the regionalized school districts;

(7) Provisions that guarantee a level of school aid which would be no less than the total amount which would have been received by the local school districts prior to regionalizing.

House Bill 6100 of the 1974 legislative session had some regional school aid provisions included within its omnibus restructuring of certain distribution and assessment formulas. Specifically, these provisions included:

(a) a new regional school incentive which would be based on the reimburseable expenditures for the regional school and the school aid percentage under Chapter 70 and which would provide more incentive for full K-12 regionalization;

(b) a changed incentive factor for the construction of regional schools by granting a higher percentage of construction assistance to regional schools with all grades (K - 12), than to regional schools with less than all grades.

This issue is discussed extensively in Section III of the Report of the Governor's Commission on School District Organization and Collaboration. Recommendations there support the contention that while increasing the size and scope of school districts does not guarantee quality, the more efficient and effective use of such resources can be a factor in making quality more possible and economical.

In this study, the responses to several areas related to this issue have already been cited. Of particular interest is the direct question concerning incentive features.

— — — — — — — — — — — —

To the following guideline, indicate whether you would attach Considerable (C), Much (M), Little (L), or No (N) importance.

Incentive features should be maintained at a support level high enough to encourage school district reorganization.

	C	M	L	N
Superintendents	41	31	11	7
Representatives	15	24	15	8
Senators	8	11	--	-
Municipal Officials	2	13	19	8
N - 213	66	79	45	23
	30.98%	37.09%	21.13%	10.80%

The support for this guideline is significant by all groups excluding municipal officials. When questioned in succeeding interviews, members of this group explained that the "incentive features" known or suggested all were seen as aid directly to school districts and might be seen as potential reductions in aid to cities and towns.

In the overall interest of providing the maximum opportunity for more efficient and effective school operation --- and, by extension, access to a higher quality education --- it is believed that continued and active efforts to encourage regionalization are worthwhile.

RECOMMENDATION NUMBER 11

THE STATE BOARD SHOULD MANDATE THAT ALL ANNUAL SCHOOL DISTRICT FINANCIAL REPORTS BE PREPARED SO THAT A REPORT ON COST COMPARISONS WITH OTHER DISTRICTS OF SIMILAR SIZE UNDER STANDARD REPORTING CATEGORIES CAN BE DEVELOPED AND WIDELY DISTRIBUTED.

This area, under the general concept of efficiency of operation was one of the most commonly discussed items in both the questionnaire and in the interviews. It has been suggested that this annual report include but not be limited to the following areas:

(1) Ratio of full time certified staff members or staff-member equivalents to full-time students;

(2) Total expenditures per full-time student in the various operating account categories (less fixed assets and debt services) as required under Chapter 72 of the General Laws;

(3) Staffing and expenditure comparisons with comparable school districts.

The purpose of this annual report would be to help ensure that no matter where a citizen resides in the state, he or she can be provided with convenient access to basic educational services information so as to be able to use that information to make similar services available in local communities at a reasonable and comparable cost.

The area of increased public access to information is one in which educators need to be less defensive. On pages 28-31 of this report, the issue was discussed in terms of helping the public better understand the programs in each school system and even to appreciate the problems which face the schools. Too long a history exists of educators guarding in an over-zealous manner the information which the public has legitimate cause to know and to study. The concerns of educators relating to the access to this data need to be put aside and the schools need to strive to better explain their policies in light of the relations of school operation, not in the half-light of selected information released.

To this issue, a number of questionnaire items were addressed. In the area of "level of interest", a surprisingly low percentage of respondents at both the low and high level of concern expressed any significant level of constituency interest.

In general, what is the level of interest over the following issue concerning schools in recent elections within your area or constituency?

	Low Level Not a Concern			High Level Considerable Concern	
	1	2	3	4	5
Public Involvement in Schools					
Superintendents	5	17	44	15	12
Representatives	7	13	32	10	4
Senators	-	3	13	2	3
Municipal Officials	-	4	21	18	2
	12	37	110	45	21
	5.33%	16.44%	48.89%	20.00%	9.33%

The only group expressing a significant level of concern was the municipal officials. This interest was tied to local school expenses in almost every case. Without exception, individuals who expressed a specific opinion on the issue of increased access to school information (excluding superintendents who were consistently less than positive on this issue) felt that the concerns over local school financing might well be lessened if more information was readily available.

In the area of state funding of education, this study found widespread misunderstanding and bewilderment over the process of state aid to cities and towns for reimbursement of educational expenses. As an example, consider the response to this particular item.

Under Chapter 70 of the General Laws, each city and town receives from the state a certain amount of money for the support of its schools. This state aid is based on a formula. Ideally, such a formula and program for state aid should be easy to understand so that everyone concerned knows exactly what the program and formula accomplish.

Would you indicate your general level of understanding of the Chapter 70 state aid program and the formula.

	Supt.	Rep.	Sen.	M.O.	Totals
(a) Understand the aid program - Comfortable in discussions about it	29	10	6	9	54 (23.89%)
(b) Generally understand the intent and workings of the aid program	43	22	12	9	86 (38.05%)
(c) Aid program and formula are confusing	17	32	3	24	76 (33.63%)
(d) The school aid program and formula are incomprehensible	5	2	-	3	10 (4.43%)

N - 226

If over one-third of the individuals who have the responsibility for administering the state aid program are willing to admit to confusion or a low level of understanding, then more and better information is essential. It would appear that some method of providing an easy access to information is mandated. The best system to accomplish this is to make as much information available as possible in a format which enables the layman to understand the complexities of a process which receives up to two-thirds of the local tax dollars in many communities. To continue any other alternative is to court and invite continuing suspicion and negative response to the legitimate budgetary needs of public schools.

SUMMARY OF RECOMMENDATIONS

1. All future attempts at school aid reform should be pursued within the framework of organizational reform for equalization of educational opportunity. To achieve this goal, the Department of Education should work with the Advisory Council on Education and other appropriate research agencies to develop an ongoing procedure to identify and account for the educational need differentials among students in various school districts.

2. All future attempts at school aid reform should be pursued in relation to the total program of providing aid to cities and towns, not as an action focused solely on educational service interests.

3. Changes and proposed changes in school aid distribution should be referred to a legislative commission on equal educational opportunity. Additionally, the General Court should task this special legislative commission with the responsibility to issue guidelines concerning fiscal reform to insure that all proposed revisions to school aid funding be forward looking and plan for projected needs over a period of seven to ten years.

4. The state share of funding public education should be increased through a planned incremental program to an eventual percentage level of fifty percent.

5. As part of the coordinated study of aid to cities and towns, the General Court should undertake a process whereby legitimate and authorized aid programs are fully funded.

6. The General Court should establish, as a high priority, the strengthening of the process for insuring equity in the assessment and administration of the property tax.

7. The Department of Education should establish a procedure whereby educational program cost differentials are computed bi-annually and are used to determine state aid to cities and towns if the state aid program is so modified.

8. The General Court and all educational agencies should continue their efforts which are designed to retain fiscal autonomy of local school committees over decisions concerning the operation of local school districts.

9. The State Board of Education should evolve a plan to establish a higher degree of shared responsibility with local school committees in the following areas:

   (a) Educational goals and priorities setting
   (b) Establishment of minimum standards
   (c) Levels of academic proficiency
   (d) Evaluation of educational programs
   (e) School district size and organization

10. Any proposed changes in the state funding program for aid to cities and towns should continue to include some form of incentive to encourage small school districts to form or join regionalized school districts.

11. The State Board of Education should mandate that all annual school district financial reports be prepared so that a report on cost comparisons with other districts of similar size under standard reporting categories can be developed and widely distributed.

APPENDIX A

DISCUSSION OF STUDY METHODOLOGY

The main objectives of this study were threefold: (1) to sample political acceptance of existing state aid to public education; (2) to ascertain the expectations of both political elements for state aid in the future; and (3) to propose a series of recommendations that might assist in the gradual and long-range revision of state aid programs.

In its original organization, the study was to have several components - developed initially as separate elements and then joined together as a final product. These elements included:

(1) A study advisory committee was formed to provide a broad spectrum of counsel to the study director. Members of this committee are listed at the beginning of this report and included a number of people with expertise and interest in the area of state aid to education. This committee met on several occasions to provide feedback on the progress of the study, to serve as an informal sounding board for the study director, and to provide a channel of communications to individuals and groups interested in this area.

(2) A questionnaire was developed and sent to a sample of educators (usually superintendents of schools), state legislators, and municipal officials representing ninety-seven cities and towns in the Commonwealth. The municipalities selected for inclusion in the study are included in Appendix B to this report. An effort was made to select communities by broad categories to insure a balanced coverage but also to include the communities containing the bulk of the state's population.

Included in the questionnaire were areas designed to accomplish the following:

(a) Sample existing thoughts about the present Chapter 70 disbursement formula and its strengths or weaknesses;

(b) Pose general and specific questions related to the expectations for state assistance in the area of education;

(c) Determine what educational programs and services should be funded in the school finance plan and for whom should these programs be provided;

(d) Ascertain what the financial needs of schools will be in the near and long range future and what financial assistance would be required - considering the needs for other governmental services and the financial ability of the state;

(e) Sample opinions on what actions might be possible in the 1975-78 period for changing the existing state funding procedures.

The questionnaire and its tabulated responses are included in Appendix C of this report.

(3) As the questionnaire results were being collected and initially tabulated, a sense of personal interviews were conducted with individuals having a vested interest or a particular perspective concerning state aid to education. These interviews were open-ended and conducted without the verbation recording of responses. The interviews were intended to provide background material and in-depth responses to areas in the questionnaire. Thirty seven complete interviews were conducted among representatives of the following groups:

State legislators
Members of state agencies
School committees
Municipal officials
Superintendents of schools
Labor union officials
Advocacy groups
School administrators
Teachers
Parent groups
Members of the Press
Bankers
University staff

Information and areas of focus concerning the conduct of the interviews are included below:

Notes to Interviewer

(A) The interviews should expand upon the data we have received from tabulating the questionnaire.

(B) Encourage the person being interviewed to expand upon areas under discussion. While we would like to have some consistency in the responses, it is more important that we use this opportunity to obtain broader attitudes and opinions than are available from the questionnaire.

(C) Areas and general topics for discussion might include the following items. Please, feel free to pursue areas beyond the simplistic responses which the questions might elicit.

(1) The question of quality of educational programs. How important is it? Will increased funding help local school districts attain higher quality education? What are impediments to local districts having quality programs? What does the interviewee feel is most important in attaining "quality" education? What is "quality" education?

(2) The question of equal educational opportunity. Does such opportunity exist in Massachusetts schools? Urban schools? Suburban schools? What are the real constraints? Is the integration of urban schools a problem or an opportunity? What new or revised programs would be advantageous? How might different funding patterns help achieve these programs? What evaluation mechanisms should be used?

(3) The question of state aid to education. How well do you understand the provisions of Chapter 70? How well do you understand the other aspects of school aid? Categorical aid? Due to the technical aspects of school aid, can it ever be understood by the layman? Is this a problem? What revisions might be in order? Why?

(4) The question of school district organization. Is there an optimum size for efficient and effective school operation? Should regionalization be encouraged through types of incentives? What are the advantages/disadvantages of small school districts?

Should communities be able to maintain small districts if they desire? What role should the State Board of Education play in this area? What roles should the Department of Education play? Regional offices?

(5) The question of special education.
How well do you understand the new special education law (Chapter 766)? What changes, if any, should be made in the school aid programs because of the new law? Are cost differentials more advantageous than categorical aid? Why?

Upon completion of the sampling and interviews, the data was tabulated and used as a basis for evolving the specific recommendations included in this study report. Additionally, a model has been developed and included as Appendix E. This model is not intended to be the MACE model or even the foundation for a specific piece of legislation. It is intended to incorporate some of the recommendations of the study, however, and should be viewed as a working alternative to existing programs of state aid to education.

APPENDIX B

CITIES AND TOWNS INVOLVED IN STUDY
GROUPING BY CATEGORIES

1. Urban Core Districts

035	Boston
281	Springfield
348	Worcester

2. Central Cities Other Than Core Districts

044	Brockton
095	Fall River
097	Fitchburg
128	Haverhill
160	Lowell
201	New Bedford
236	Pittsfielt

3. Industrial/Commercial Suburbs Adjacent to Urban Core Districts

049	Cambridge	229	Peabody
061	Chicopee	243	Quincy
093	Everett	248	Revere
163	Lynn	258	Salem
165	Malden	308	Waltham
176	Medford		

4. Suburban Districts

008	Amherst	159	Longmeadow	285	Stoughton
009	Andover	166	Manchester	287	Sturbridge
023	Bedford	171	Marshfield	288	Sudbury
025	Bellingham	198	Natick	290	Sutton
042	Bridgewater	199	Needham	294	Templeton
046	Brookline	207	Newton	305	Wakefield
056	Chelmsford	208	Norfolk	320	Wenham
067	Concord	220	Norwood	336	Weymouth
072	Dartmouth	264	Scituate	341	Williamstown
082	Duxbury	265	Seekonk	347	Woburn
131	Hingham	279	Southwick		
155	Lexington	280	Spencer		

5. Medium-Size City/Town Districts (over 15,000)

016	Attleboro	209	North Adams
020	Barnstable	210	Northampton
096	Falmouth	239	Plymouth
107	Gloucester	293	Taunton
114	Greenfield	325	Westfield
153	Leominster		
170	Marlborough		

6. Small Districts (3,000 - 15,000)

019	Ayer	113	Great Barrington	259	Salisbury
121	Barre	144	Ipswich	310	Wareham
024	Belchertown	191	Monson	326	Westford
055	Chatham	197	Nantucket		
074	Deerfield	227	Palmer		
		242	Provincetown		

7. Rural Districts (less than 3,000)

006	Alford	085	Eastham
013	Ashfield	089	Edgartown
022	Becket	195	Mt. Washington
033	Blandford	216	Northfield
034	Bolton	241	Princeton
058	Cheshire	249	Richmond
060	Chesterfield	255	Royalston
077	Douglas		

Cities and Towns Involved in Study

Alford	Chelmsford	Ipswich	Northampton	Stoughton
Amherst	Cheshire	Leominster	Northfield	Sturbridge
Andover	Chesterfield	Lexington	Norwood	Sudbudy
Ashfield	Chicopee	Longmeadow	Palmer	Sutton
Attleboro	Concord	Lowell	Peabody	Taunton
Ayer	Dartmouth	Lynn	Pittsfield	Templeton
Barnstable	Deerfield	Malden	Plymouth	Wakefield
Barre	Douglas	Manchester	Princeton	Waltham
Becket	Duxbury	Marlborough	Provinceton	Wareham
Bedford	Eastham	Marshfield	Quincy	Wenham
Belchertown	Edgartown	Medford	Revere	Westfield
Bellington	Everett	Monson	Richmond	Westford
Blandford	Fall River	Mt. Washington	Royalston	Weymouth
Bolton	Falmouth	Nantucket	Salem	Williamstown
Boston	Fitchburg	Natick	Salisbury	Woburn
Bridgewater	Gloucester	Needham	Scituate	Worcester
Brockton	Great Barrington	New Bedford	Seekonk	
Brookline	Greenfield	Newton	Southwick	
Cambridge	Haverhill	Norfolk	Spencer	
Chatham	Hingham	North Adams	Springfield	

Massachusetts Advisory Council on Education

Study on Financing Public Education

Questionnaire and Tally of Responses

	Total Mailed	Number Returned	Percentage Returned
Total	406	226	55.67%
Educational Community (Superintendents)	108	94	87.04
State Representatives	162	66	40.74
State Senators	40	21	52.50
Municipal Officials (Mayors & Selectmen)	96	45	46.88

A. General Information

1. Your position:
   - Legislator (Senate) _____
   - Legislator (House) _____
   - Mayor _____
   - Selectman/Town Manager _____
   - Superintendent of Schools _____

2. Years in present position _____

3. In general, what is the level of interest over the following issues concerning schools in recent elections within your area or constituency? Circle the appropriate number:

	Low Level Not a Concern				High Level Considerable Concern
	1	2	3	4	5
(a) Quality of schools-educational results being achieved					
Superintendents	3	6	29	44	12
Representatives	1	6	12	20	27
Senators	-	-	2	6	13
Municipal Officials	-	3	15	10	17

(b)	Racial balance of schools	1	2	3	4	5
	Superintendents	72	12	5	2	2
	Representatives	41	10	4	4	7
	Senators	9	6	-	3	3
	Municipal Officials	28	5	5	5	2
(c)	Increase of school budget	1	2	3	4	5
	Superintendents	-	5	13	33	43
	Representatives	-	4	7	29	26
	Senators	-	-	3	2	16
	Municipal Officials	-	4	4	14	23
(d)	Public involvement in schools	1	2	3	4	5
	Superintendents	5	17	44	15	12
	Representatives	7	13	32	10	4
	Senators	-	3	13	2	3
	Municipal Officials	-	4	21	18	2
(e)	Closing of parochial schools-potential or actual	1	2	3	4	5
	Superintendents	56	19	8	9	3
	Representatives	18	9	27	6	6
	Senators	3	3	9	3	3
	Municipal Officials	13	11	5	9	7
(f)	Adequacy of facilities (including physical plant)	1	2	3	4	5
	Superintendents	7	15	19	32	21
	Representatives	2	8	8	26	22
	Senators	-	3	6	7	5
	Municipal Officials	2	8	8	11	16
(g)	Fiscal autonomy of school committee	1	2	3	4	5
	Superintendent	5	11	28	28	22
	Representatives	3	4	19	27	9
	Senators	-	2	5	9	5
	Municipal Officials	3	7	15	7	13

(h) Other issues	1	2	3	4	5
Superintendents	-	-	-	5	6
Representatives	-	1	2	2	1
Senators	-	-	-	-	-
Municipal Officials	-	-	-	1	2

4. In the school budget process within your area, to what extent do you think municipal officials trust the school committee(s)?

	Not at all 1	2	3	4	Great Extent 5
Superintendents	1	21	33	32	7
Representatives	4	18	29	13	2
Senators	-	6	12	3	-
Municipal Officials	7	13	13	9	3

5. To what extent do you think the school committee(s) trust the municipal officials?

	Not at all 1	2	3	4	Great Extent 5
Superintendents	2	16	46	26	4
Representatives	7	24	28	4	3
Senators	-	12	6	3	-
Municipal Officials	3	15	19	5	3

6. The cost of providing public services tends to rise at a faster level than the public funds readily available for distribution. In your opinion, what is the level of competing demand for tax resources between schools and other municipal services within your area of representation?

	Supt.	Rep.	Sen.	M.O.
(a) competitive, priorities established by public	7	7	3	2
(b) competitive, priorities established by municipal officials	17	13	9	3
(c) competitive, schools receiving priority	40	26	6	35
(d) competitive, schools not receiving priority	5	-	-	-
(e) low level of competition between schools and other municipal services	24	20	3	5

7. In your opinion, which of the following general patterns should the re-examination of school finance programs and the distribution of state funds follow?

	Supt.	Rep.	Sen.	M.O.
(a) equalization of educational opportunity is a high priority and school finance reform should be evolved as soon as possible	40	19	9	16
(b) school finance reform is only a part of general fiscal reform in the Commonwealth and should be considered as one part of a comprehensive reform package	48	42	8	26
(c) school finance reform is important but other fiscal reforms have higher priority and should be considered first	2	-	-	-
(d) the case for changing existing methods of financing education has not yet been proven	4	5	4	3

B. Information About Educational and Political Attitudes

1. Listed below are a series of statements about the public and education. Please indicate your opinion of each statement by circling the number in the column which comes the closest to representing your acceptance or non-acceptance of the statement.

	Strongly Support	Mildly Support	No Oppose	Mildly Oppose	Strongly Oppose
(a) Residents and voters who have children in school are more likely to support school budget increases than those who do not have children in school	1	2	3	4	5
Superintendents	44	44	3	3	-
Representatives	32	27	2	5	-
Senators	8	11	2	-	-
Municipal Officials	18	18	2	7	-

(b)	Residents and voters who own their homes are more likely to support school budget increases than renters	1	2	3	4	5
	Superintendents	4	26	15	35	13
	Representatives	2	18	3	31	12
	Senators	1	8	2	10	-
	Municipal Officials	1	3	7	27	7
(c)	Middle-aged citizens are more likely to show a high degree of interest in school related issues than either the very young or the very old	1	2	3	4	5
	Superintendents	21	35	6	22	9
	Representatives	4	22	7	29	4
	Senators	1	8	6	6	-
	Municipal Officials	11	22	7	5	-
(d)	The greater a resident's educational attainment, the more likely he will actively participate in resolving school related issues	1	2	3	4	5
	Superintendents	41	42	2	5	4
	Representatives	13	38	8	6	1
	Senators	9	8	2	2	-
	Municipal Officials	15	13	7	7	2
(e)	The greater an individual's attachment to a community, the more active he will be in school related issues	1	2	3	4	5
	Superintendents	26	43	11	12	2
	Representatives	13	34	5	13	1
	Senators	6	9	3	2	1
	Municipal Officials	13	24	3	5	-

(f)	The smaller the size of a school district, the higher will be the percentage of involvement in school related issues.	1	2	3	4	5
	Superintendents	24	42	16	8	3
	Representatives	19	19	13	11	4
	Senators	6	2	7	5	1
	Municipal Officials	9	19	9	5	3
(g)	Non-voting by residents is a reflection of the stability of the political system and is a response to the decline of major social conflicts	1	2	3	4	5
	Superintendents	6	16	16	31	25
	Representatives	7	4	7	19	26
	Senators	-	2	5	6	8
	Municipal Officials	4	9	2	13	17
(h)	When local elections generate a substantial increase in turnout, one can infer that the election is a symtom of a deeply felt community conflict	1	2	3	4	5
	Superintendents	39	34	6	14	-
	Representatives	23	26	-	13	4
	Senators	8	3	1	9	-
	Municipal Officials	13	17	5	5	5
(i)	The greater the degree of organized opposition to school related issues, the more likely is defeat of incumbents or school bond (construction) elections	1	2	3	4	5
	Superintendents	56	28	1	5	3
	Representatives	32	17	4	12	-
	Senators	12	3	2	3	-
	Municipal Officials	16	19	2	6	2

(j)	School districts receiving "favorable local newspaper support" are more likely to have token opposition to school related issues	1	2	3	4	5
	Superintendents	20	55	8	4	7
	Representatives	7	44	3	8	4
	Senators	3	14	1	3	-
	Municipal Officials	5	19	11	7	3
(k)	Citizens who display attitudes toward school officials are more likely to vote against incumbents and school related issues than those who support school officials	1	2	3	4	5
	Superintendents	44	43	3	1	2
	Representatives	33	26	4	3	-
	Senators	9	6	3	2	1
	Municipal Officials	15	24	3	3	-
(l)	Equal educational opportunity requires unequal allocation of funds to local school districts	1	2	3	4	5
	Superintendents	54	21	9	7	3
	Representatives	21	22	3	13	7
	Senators	12	5	1	3	-
	Municipal Officials	13	7	11	11	3
(m)	Educational programs are influenced more by actions taken at the national and state level than at the local level	1	2	3	4	5
	Superintendents	10	33	3	29	19
	Representatives	17	23	9	17	9
	Senators	9	3	-	3	6
	Municipal Officials	13	11	3	13	5

(n)	Public education in the state would be improved if educational decisions at the local level could be completely divorced from considerations of local taxes	1	2	3	4	5
	Superintendents	62	19	-	9	4
	Representatives	19	14	6	23	4
	Senators	3	2	6	9	1
	Municipal Officials	19	15	2	7	2
(o)	The quality of education depends upon the preservation of local control of the schools	1	2	3	4	5
	Superintendents	38	35	2	13	5
	Representatives	21	18	3	21	3
	Senators	8	3	1	9	-
	Municipal Officials	19	8	3	9	5
(p)	The quality of education a child receives is a product of the quality of life of the whole community -not the quality of his schools	1	2	3	4	5
	Superintendents	33	41	2	12	5
	Representatives	22	34	4	4	2
	Senators	12	9	-	-	-
	Municipal Officials	16	13	5	11	-
(q)	Education is a fundamental right of all children	1	2	3	4	5
	Superintendents	90	3	1	-	-
	Representatives	64	2	-	-	-
	Senators	21	-	-	-	-
	Municipal Officials	37	5	3	-	-

(r)	Equal educational opportunity requires local commitment to the interests of each student more than it requires money	1	2	3	4	5
	Superintendents	42	29	4	7	10
	Representatives	26	29	3	4	4
	Senators	5	11	3	2	-
	Municipal Officials	13	11	7	13	1
(s)	Fiscal autonomy of the local school committees provides a means to avoid local underfunding of school programs. Such fiscal autonomy should be retained	1	2	3	4	5
	Superintendents	72	19	1	-	1
	Representatives	19	14	3	7	23
	Senators	8	5	1	1	6
	Municipal Officials	9	11	3	9	13
(t)	Education is the most important function of state and local government	1	2	3	4	5
	Superintendents	72	20	1	1	-
	Representatives	17	11	12	19	7
	Senators	7	3	6	5	-
	Municipal Officials	9	12	9	7	7
(u)	In today's society, it is doubtful that any child may succeed in life if he is denied the opportunity of an education	1	2	3	4	5
	Superintendents	63	25	4	1	1
	Representatives	26	28	2	7	3
	Senators	9	8	2	2	-
	Municipal Officials	27	11	3	3	-
(v)	Education is the responsibility of the state and not of the local cities & towns	1	2	3	4	5
	Superintendents	40	22	1	21	7
	Representatives	7	10	10	23	16
	Senators	-	3	3	6	9
	Municipal Officials	7	9	2	9	17

2. Listed below are problems and issues which most school districts and communities face in regard to education. Additional spaces have been included in which you might wish to indicate additional problems and issues.

FIRST, be sure that the list contains those issues which you feel to be of major importance for schools in the 1970s.

THEN, identify the five most important issues which you feel exist in the schools today by placing a (1) beside the most important, a (2) beside the second most important, and so on through (5).

RANK 1 - 5 IMPORTANCE

Issue	Superintendents					Representatives					Senators					Municipal Officials				
	1	2	3	4	5	1	2	3	4	5	1	2	3	4	5	1	2	3	4	5
(a) Public involvement in schools	5	7	1	8	2	6	4	3	3	3	1	2	-	-	2	3	4	2	3	1
(b) Basic skills instruction	12	6	7	11	8	6	10	3	3	6	3	2	1	1	3	8	3	3	2	2
(c) Behavior of youth-in and out of school	2	12	3	6	7	-	-	3	13	3	1	-	-	2	1	4	1	5	3	1
(d) Racial & minority group issue	1	-	5	4	5	4	-	-	9	9	2	-	2	1	1	2	4	2	2	1
(e) Educational results being achieved	17	20	16	7	7	19	16	1	7	8	2	9	3	2	2	8	6	8	6	12
(f) Funding of education	33	12	17	3	6	16	12	9	6	6	9	3	4	2	1	11	5	7	3	-
(g) Occupational & vocational ed.	-	6	8	12	9	7	7	7	13	8	1	1	2	9	-	2	2	9	7	7
(h) Education of youngsters with special handicaps	1	6	12	12	11	4	4	10	3	3	2	1	2	1	2	1	3	2	2	9
(i) Efficiency of school operation	-	6	7	8	11	4	-	4	6	9	-	1	1	1	3	3	6	1	5	2
(j) Evaluation of school operations	3	7	5	12	12	-	3	11	-	3	-	1	3	-	2	1	2	2	6	3
(k) Quality of teaching staff	16	7	7	8	6	-	9	12	-	3	-	-	3	-	2	2	6	4	3	2
(l) Problems of school "drop-outs"	-	-	-	-	2	-	-	3	3	3	-	-	-	2	1	-	-	-	2	5
(m) Other Issues	3	3	3	-	4	-	1	-	-	-	-	1	-	-	1	-	3	-	1	-

C. Information Regarding Present School Funding

1. Under Chapter 70 of the General Laws, each city and town receives from the state a certain amount of money for the support of its schools. This state aid is based upon a formula. Ideally, such a formula and program for state aid should be easy to understand so that everyone concerned knows exactly what the program and formula accomplish.

FIRST, Would you indicate your general level of understanding of the Chapter 70 state aid program and the formula.

	Supt.	Rep.	Sen.	M.O.
(a) Understant the aid program-comfortable in discussions about it	29	10	6	9
(b) Generally understand the intent and workings of the aid program	43	22	12	9
(c) Aid program and formula are confusing	17	32	3	24
(d) The school aid program and formula are incomprehensible	5	2	1	3

THEN, would you indicate, in general terms, your level of support and acceptance of the Chapter 70 aid program as it is currently administered. (Check as many items as required).

	Supt.	Rep.	Sen.	M.O.
(a) Aid program is acceptable as it currently exists	-	2	-	2
(b) Aid program is unacceptable. Major revisions are necessary	46	27	11	14
(c) Aid program is generally acceptable. Should be modified as indicated below:				
(1) to reflect variations in total local tax efforts	18	18	7	14
(2) to remove minimum and maximum percentages from state aid computations	14	6	3	4
(3) to raise the overall average level of state aid	42	12	-	24
(4) to include existing special category aid funds under the general school aid fund (i. e., school construction, transportation, special education, occupational and vocational aid)	15	3	-	8

	Supt.	Rep.	Sen.	M.O.
(5) to include supplementary aid for regional school districts	12	3	-	4
(6) to establish a minimum level of mandatory educational expenditures for each city and town	19	9	3	8
(7) to reflect variations in educational need among different school districts	21	21	9	6
(8) to include provisions for cost differentials in different cities and towns (i.e., the cost of similar services may differ from town to town)	17	21	8	8
(d) Aid program is generally acceptable. Full funding by the legislature of Chapter 70 is required	22	12	6	12

2. Chapter 70 school aid is designed to help provide adequate state support for local education. In your opinion, to what extent is the aid program meeting this goal?

	Not at all				To a great Extent
	1	2	3	4	5
Superintendents	13	45	32	2	1
Representatives	3	31	24	6	-
Senators	1	9	10	1	-
Municipal Officials	7	18	18	2	-

3. In your opinion, is the existing school aid program encouraging effort on the part of all cities and towns to provide the best possible education?

	Not at all				To a great Extent
	1	2	3	4	5
Superintendents	26	35	26	5	1
Representatives	7	23	23	11	-
Senators	3	3	9	6	-
Municipal Officials	7	22	11	5	-

4. The existing state aid program is designed to take into consideration the fact that some towns do not have the same ability to pay for educational programs as other towns do. To what extent is this provision working?

	Not at all			To a great Extent	
	1	2	3	4	5
Superintendents	14	44	25	8	1
Representatives	2	32	13	17	-
Senators	1	11	3	6	-
Municipal Officials	7	22	11	5	-

5. If your choices above tend to reflect that the existing school aid program is not meeting its designed goal, which of the following conditions might be responsible for this?

	Supt.	Rep.	Sen.	M.O.
(a) Lack of full funding of Chapter 70	61	18	5	24
(b) Inadequacy of equalization in property valuation	34	31	14	25
(c) Weaknesses of the present funding program (i.e., Chapter 70)	43	24	9	14
(d) Other factors	7	6	5	2

D. Information on Possible Revised School Funding Provisions

1. Listed below are a series of possible guidelines related to school district organization which might be established to restructure a program to finance public education. Indicate whether you would attach Considerable (C), Much (M), Little (L), or No (N) importance to each possible guideline by circling the appropriate letter.

(a) Changes to state aid programs may necessitate some school district reorganization. State-wide studies should be instituted to determine the extent of the need for re-organization.

	C	M	L	N
Superintendents	31	39	14	5
Representatives	11	11	31	11
Senators	3	7	6	5
Municipal Officials	10	8	18	8

(b) On both the local and state level, maximum citizen involvement should be sought in the development of plans, criteria for school district reorganization, and proposed legislation.

	C	M	L	N
Superintendents	26	34	23	6
Representatives	17	34	9	4
Senators	6	12	3	-
Municipal Officials	15	12	13	4

(c) Reorganization of school districts should result in an equalization of fiscal resources insofar as this is feasible.

	C	M	L	N
Superintendents	44	27	11	6
Representatives	10	23	17	14
Senators	6	10	5	-
Municipal Officials	13	19	9	2

(d) New legislation should provide "bonus" aid for reorganized districts on a per pupil basis.

	C	M	L	N
Superintendents	31	26	21	11
Representatives	4	14	32	14
Senators	3	1	9	6
Municipal Officials	4	9	17	13

(e) Incentive features should be maintained at a support level high enough to encourage school district reorganization.

	C	M	L	N
Superintendents	41	3[illegible]	11	7
Representatives	15	24	15	8
Senators	8	11	--	-
Municipal Officials	2	13	19	8

(f) Provisions should be included which would enable small school districts to continue if the citizens so desired.

	C	M	L	N
Superintendents	19	23	32	16
Representatives	15	29	15	5
Senators	7	7	6	-
Municipal Officials	13	7	21	2

(g) Minimum standards for school district operation should be issued as guidelines by the state - specific local standards would remain a factor of local option.

	C	M	L	N
Superintendents	38	30	12	9
Representatives	26	26	11	1
Senators	11	9	1	-
Municipal Officials	8	15	13	6

2. The following types of special category aid exist in addition to Chapter 70 aid. Check whether you believe each type of aid should be transferred into a general aid fund or remain as special categorical aid.

	Transfer to General Aid Fund				Remain as Categorical Aid			
	Supt.	Rep.	Sen.	M.O.	Supt.	Rep.	Sen.	M.O.
(a) School Construction-Capital Outlay and Debt Service Fund	10	7	3	14	81	56	17	30
(b) Transportation Expense	33	17	10	19	57	46	10	25
(c) Special Education	38	17	10	15	51	46	10	29
(d) School Lunch Fund	37	13	7	19	51	50	13	25
(e) Occupational and Vocational Aid	51	17	9	16	38	46	11	28
(f) State Ward Fund	32	7	3	14	53	56	17	29

3. At the present time, Chapter 70 aid is supposed to provide an average of 35 percent of the reimburseable expenditures of the cities and towns. In recent years the actual percentage has ranged between 25 and 28 percent. If the level of aid was to be changed, what, in your opinion, would be the optimum average percentage of the state reimbursement?

	Supt.	Rep.	Sen.	M.O.
(a) Less than 35 per cent	--	--	--	--
(b) 45 per cent	11	14	3	8
(c) 50 per cent	27	23	12	20
(d) 65 per cent	42	8	2	6
(e) 90 per cent	12	17	4	9
(f) Present funding is adequate	--	--	--	--

4. If an increased state funding level was effected, there would likely be some movement to increase the degree of state control and regulation over local educational issues. Please indicate whether you believe the degree of state control should be increased or whether local control should continue in each of the following categories.

	Increase in state control/ regulation				Local control to continue			
	Supt.	Rep.	Sen.	M.O.	Supt.	Rep.	Sen.	M.O.
(a) Educational goals and priority setting	38	17	10	15	56	46	11	29
(b) Minimum standards established	86	49	18	32	8	14	3	12
(c) Budget review and approval	16	11	6	5	78	52	15	39
(d) Academic proficiency levels	33	29	18	21	60	33	3	21
(e) Evaluation of programs	47	42	12	19	47	21	9	25
(f) Staff and teacher's salaries	41	13	9	7	52	50	12	35
(g) School District size and organization	60	17	8	21	33	46	13	23

5. Listed below are a number of possible tax and fiscal reforms which might be implemented to raise additional revenue for possible school funding assistance. Additional spaces have been provided in which you might wish to indicate additional reforms.

FIRST, be sure that the list contains those reforms which you feel to have potential for increasing state revenue.

THEN, in rank order, identify the three items which you believe to have the most merit by placing a (1) beside the most important, a (2) beside the second most important, and (3) beside the third most important.

Areas of Possible Reform	RANK 1 - 3 IMPORTANCE											
	Superintendents			Representatives			Senators			Municipal Officials		
	1	2	3	1	2	3	1	2	3	1	2	3
(a) Expended use of state share of federal revenue-sharing	33	15	19	18	12	9	3	6	7	12	9	4
(b) Increased taxation of corporate income	11	12	13	2	3	6	-	-	3	1	4	4
(c) Expansion of state sales tax	11	20	13	9	21	12	8	5	2	6	9	2
(d) Revision of state income tax	28	15	[illegible]	27	9	9	9	5	2	12	7	12
(e) Increase of fuel and gasoline tax	-	1	4	-	2	2	-	-	-	1	1	2
(f) State-wide property tax	6	8	7	2	2	6	1	2	3	2	2	2
(g) State-wide value-added tax	1	2	4	1	4	3	-	1	2	1	1	4
(h) State tax on private non-profit educational institutions	1	2	7	-	4	1	-	-	-	1	2	2
(i) State (vs. local) assessment and taxation of utilities and industrial facilities	1	13	12	1	4	6	-	2	2	2	2	2
(j) Other areas of possible reform	1	3	-	3	2	2	-	-	-	4	2	2

Fiscal and School Data
Cities and Towns in Study Sample

Year Ending June 30, 1973

City/Town	System Number	Region Member	Pop. 1970	Net Average Membership Elem.	Junior	Senior	Total	Special Ed Elem.	Junior	Senior	Total	Voc. Total	Eq. Val. 71 / 74 (000 Omitted)	Eq. Val. 75 / 76 (000 Omitted)	SAC 10/1/72	Eq. Val. per SAC	Ch. 70 Aid 73 / 74	Tax Rates (1973) Total	School	General	Full Value
Alford	006	765	302	17	15	16	48	--	-	--	--	4	4,700	8,800	51	92,157	6,417	21	12	9	21.00
Amherst	008	605	26,511	1942	795	677	3417	45	21	8	76	7	130,000	201,000	5,616	41,351	526,749	37	26	11	37.00
Andover	009	823	23,695	3329	1508	1378	6215	1	179	5	364	59	240,000	350,000	7,295	32,899	1,043,809	31	23	12	49.70
Ashfield	013	717	1,274	132	--	152	284	8	--	-	8	2	10,000	19,500	301	33,223	45,371	30	22	8	30.00
Attleboro	016	---	32,907	5218	2588	1319	7125	102	30	6	144	213	187,000	277,000	8,561	21,849	3,197,521	69	29	31	57.60
Ayer	019	---	7,393	2227	543	702	3472	21	--	-	21	9	52,500	60,000	4,051	8,06-	794,677	124	46	78	62.10
Barnstable	020	815	19,842	2894	866	1408	5168	20	9	17	46	140	350,000	607,300	6,481	53,934	758,679	15	9	6	14.80
Barre	021	753/832	5,825	462	--	409	871	5	-	6	11	27	18,000	25,000	1,009	17,839	380,583	252	170	82	57.90
Becket	022	635	929	136	21	68	227	6	-	2	8	7	14,500	32,200	271	53,506	35,095	34	-	-	30.90
Bedford	023	871	13,513	2028	632	1328	3988	25	3	2	30	56	130,000	171,700	4,151	31,318	723,127	78	49	29	48.40
Belchertown	024	860	5,936	672	240	403	1315	63	-	-	63	17	24,000	47,600	1,567	17,680	224,911	70	39	31	47.00
Bellingham	025	805	13,967	2111	-	1557	3668	35	-	-	35	40	81,500	108,000	4,417	16,245	1,473,749	39	19	20	59.00
Blandford	033	672	863	90	83	76	249	-	-	-	-	2	6,200	12,800	240	25,208	75,510	166	-	-	48.10
Bolton	034	725	1905	301	-	179	570	42	-	-	42	9	21,000	31,000	643	32,659	85,684	48	35	13	47.10
Boston	035	-	641,071	55,580	18,817	16,458	88,275	949	852	-	1801	5432	2,100,000	2,600,000	126,648	16,581	52,880,674	197	43	154	165.30
Bridgewater	042	625/810	11,829	2,218	-	781	3,049	41	-	7	18	74	52,000	106,300	3,224	16,129	1,623,980	72	48	24	70.60
Brockton	044	872	89,040	10,774	3,496	5,209	19,477	200	45	34	279	477	350,000	697,000	20,174	17,350	9,787,059	180	84	96	96.40
Brookline	046	-	59,886	3,998	-	2,129	6,127	31	-	41	72	538	812,000	809,000	7,431	68,901	947,265	73	25	48	63.50
Cambridge	049	-	100,361	6,737	-	2,750	9,487	272	-	-	272	-	520,000	858,300	13,208	39,370	1,467,356	152	51	101	94.40
Chatham	055	815	4,554	469	159	342	970	14	-	-	14	93	110,000	230,500	995	110,553	149,967	75	37	38	25.20
Chelmsford	056	852	31,432	4,922	2,324	1,557	8,803	74	-	-	74	237	230,000	306,000	9,435	24,377	2,545,588	44	31	13	44.00
Cheshire	058	603	3,906	379	127	222	728	16	4	3	23	4	15,000	23,000	752	19,947	299,574	41	-	-	41.00
Chesterfield	060	683	704	137	-	89	226	19	-	-	19	11	7,200	11,700	247	29,150	50,288	47	36	11	40.90
Chicopee	061	-	66,676	4,471	3,848	3,585	11,907	-	112	40	152	440	256,000	420,000	16,644	16,364	5,270,784	137	87	50	53.40
Concord	067	640/830	16,148	1,825	1,193	1,401	4,419	21	-	-	21	-	186,000	272,100	4,896	37,990	693,199	51	35	16	50.50
Dartmouth	072	825	18,800	1,850	1,321	1,176	4,347	41	15	17	73	98	190,000	265,000	4,821	39,411	500,134	40	29	11	38.00
Deerfield	074	670	3,850	463	-	363	826	10	-	5	15	25	19,000	42,900	914	20,788	325,286	71	47	24	42.60
Douglas	077	805	2,947	440	-	279	719	14	-	-	14	24	15,000	28,500	772	19,430	272,715	39	28	11	38.00
Duxbury	082	-	7,636	2,063	-	708	2,771	11	-	8	19	31	97,000	155,000	2,888	33,587	376,259	44	26	18	44.00
Eastham	085	660/815	2,043	190	188	185	563	19	2	2	23	3	55,000	113,500	579	94,991	97,043	32	18	14	25.91
Edgartown	089	700	1,481	249	-	93	342	13	-	-	13	-	45,000	104,900	358	153,631	92,875	70	30	40	23.75

City/Town	System Number	Region Member	Pop. 1970	Net Average Membership Elem.	Junior	Senior	Total	Special Ed Elem.	Junior	Senior	Total	Voc. (Total)	Eq. Val. 73 / 74 (000 Omitted)	Eq. Val. 75 / 76 (000 Omitted)	SAC 1971-72	Eq. Val. per SAC	Ch. 70 Aid 73 / 74	Tax Rates 1973 Total	School	General	Full Value
Everett	094	-	42,485	3,938	1,497	1,276	6,711	62	-	-	62	219	400,000	526,800	9,535	46,976	1,047,554	108	58	50	44.12
Fall River	095	821	96,898	8,697	3,142	1,975	13,814	275	69	90	434	833	288,500	504,900	14,540	14,564	7,347,567	147	81	106	98.15
Falmouth	096	879	15,362	2,370	1,275	1,217	4,862	22	11	13	46	191	210,000	433,400	5,521	39,466	584,390	87	54	33	42.33
Fitchburg	097	832	43,341	4,085	1,406	1,950	7,241	103	14	13	130	541	260,000	293,600	9,757	26,165	1,992,963	88	28	27	53.14
Gloucester	107	854	27,481	2,822	1,189	1,667	5,678	91	-	-	91	123	184,000	335,900	6,616	27,811	1,146,345	83	42	41	59.4
Great Barrington	113	618	7,547	865	284	408	1,557	21	5	7	33	50	58,000	83,300	1,693	34,402	230,719	48	32	16	48.00
Greenfield	114	-	18,116	1,764	901	845	3,510	46	12	9	67	179	122,000	184,900	4,108	29,698	784,209	82	55	27	82.00
Haverhill	128	885	46,120	6,025	-	2,419	8,444	103	-	8	111	475	200,000	306,700	10,661	18,584	1,466,247	150	84	66	69.00
Hingham	131	-	18,845	2,918	1,311	1,129	5,358	24	11	6	41	18	160,000	248,000	5,834	27,425	1,629,758	63	32	31	55.44
Ipswich	144	885	10,750	1,223	402	790	2,415	258	33	8	299	18	75,000	126,300	2,659	26,253	798,148	58	37	21	51.15
Leominster	153	-	32,939	3,824	1,694	1,359	6,877	70	18	23	111	275	195,000	306,900	8,781	22,207	2,142,425	45	22	23	48.55
Lexington	155	530	31,886	4,424	2,243	2,121	8,788	49	35	10	94	62	280,000	447,000	9,244	30,290	2,074,234	70	37	33	58.80
Longmeadow	159	-	15,630	1,790	1,070	1,318	4,178	31	8	7	46	5	136,000	226,500	4,185	41,838	645,940	40	25	15	38.13
Lowell	160	828	94,239	9,314	2,944	5,659	15,917	141	12	8	161	595	330,000	541,000	21,858	15,097	7,344,732	148	82	66	73.70
Lynn	163	-	90,294	7,560	3,620	2,702	13,882	201	86	-	287	809	500,000	580,000	19,676	25,412	4,725,955	237	83	154	68.73
Malden	165	853	56,127	5,600	2,361	1,617	9,578	110	22	30	162	751	244,000	470,000	11,852	20,588	3,739,490	155	59	96	77.42
Manchester	166	854	5,151	713	-	544	1,257	53	-	-	53	8	64,500	103,800	1,514	42,602	494,339	48	24	24	47.34
Marlborough	170	801	27,436	4,127	997	1,450	6,574	37	24	-	61	113	140,000	275,000	7,446	18,802	2,872,348	162	74	89	59.08
Marshfield	171	-	15,223	2,584	822	1,314	4,720	76	8	12	96	109	105,000	210,000	5,256	19,977	2,119,892	100	58	42	48.50
Medford	176	-	64,397	5,841	1,606	3,328	10,775	25	55	38	118	430	330,000	487,200	13,975	23,614	5,849,185	167	68	99	66.80
Monson	191	860	7,455	890	292	448	1,630	7	-	-	7	7	34,000	52,405	1,612	21,092	594,317	48	42	6	45.48
Mt. Washington	195	-	92	5	1	1	7	-	-	-	-	-	1,500	1,500	7	214,286	1,082	36	11	25	36.00
Nantucket	197	-	3,774	545	155	229	929	3	-	-	3	-	90,000	190,000	941	95,643	127,661	82	29	53	24.60
Natick	198	-	31,057	4,267	2,003	1,845	8,115	33	25	12	70	35	272,000	376,800	8,683	31,326	1,410,720	73	42	31	50.17
Needham	199	-	29,748	3,639	1,874	1,852	7,365	43	27	3	73	22	340,000	478,000	8,368	40,631	1,138,668	45	25	20	41.46
New Bedford	201	825	101,777	10,383	3,403	2,521	16,307	429	44	23	496		380,000	718,800	21,537	17,644	7,963,178	134	49	85	75.92
Newton	207	-	91,066	8,290	3,995	3,852	16,137	99	26	22	147	332	680,000	1,128,500	19,272	35,284	2,494,861	202	107	95	71.34
Norfolk	208	690	4,256	654	212	226	1,142	5	5	2	12	24	28,000	48,000	1,294	21,638	434,461	47	29	18	47.69
North Adams	209	851	19,195	2,074	594	826	3,494	34	10	-	44	236	80,000	109,000	4,217	18,971	1,354,076	65	27	38	62.40
Northampton	210	-	29,864	2,307	1,173	949	4,429	74	13	14	101	101	160,000	222,400	5,410	29,575	1,115,114	54	32	22	50.76
Northfield	216	750	2,631	310	-	271	581	10	-	-	10	8	22,000	34,600	639	74,429	88,582	42	28	14	41.58
Norwood	220	806	30,815	2,878	1,824	1,927	6,629	21	17	13	51	146	200,000	329,200	8,103	24,682	2,435,240	39	21	18	39.00
Palmer	227	860	11,680	1,464	-	938	2,402	34	-	13	47	75	75,000	88,000	2,632	28,495	507,696	193	121	72	42.46
Peabody	229	854	48,080	5,946	2,703	1,966	10,615	113	47	11	171	373	315,000	468,900	12,895	24,428	3,905,183	52	27	25	52.10
Pittsfield	236	-	57,020	6,178	2,811	2,260	11,249	107	81	45	233	530	330,000	503,000	14,262	24,541	3,875,709	66	33	33	57.90

City/Town	System Number	Region Member	Pop. 1970	Set Average Membership Elem.	Junior	Senior	Total	Special Ed Elem.	Junior	Senior	Total	Voc. Total	Eq. Val. 73 / 74 (000 Omitted)	Eq. Val. 75 / 76 (000 Omitted)	SAC 197. 72	Eq. Val. per SAC	Ch. 70 Aid 73 / 74	Tax Rates 1973 Total	School	General	Full Value
Plymouth	239	751	18,606	2,185	1,112	1,263	4,558	18	19	32	69	6	220,000	474,400	5,332	41,275	542,810	76	38	38	51.48
Princeton	241	775	1,681	149	-	149	298	17	-	-	17	1	11,500	19,700	347	24,680	158,390	44	30	14	44.00
Provincetown	242	815	2,911	219	203	298	630	4	5	5	14	-	36,000	67,200	659	103,448	97,403	34	21	13	31.60
Quincy	243	-	87,966	8,481	3,672	3,370	15,523	73	34	38	145	651	515,000	807,800	10,936	27,054	4,362,214	155	66	89	75.61
Revere	248	853	43,159	3,747	1,858	1,593	7,238	82	-	-	82	145	215,000	343,000	9,432	29,496	2,819,543	253	147	105	74.18
Richmond	249	-	1,461	211	83	88	384	2	-	-	2	13	7,900	23,400	384	19,531	169,991	130	104	22	59.64
Royalston	255	815/832	809	83	37	28	148	2	2	3	7	11	3,600	7,800	193	19,689	76,319	132	85	47	55.44
Salem	258	854	40,556	5,155	-	1,879	7,034	254	-	19	273	130	260,000	427,600	8,460	30,733	1,494,000	152	64	88	69.42
Salisbury	259	373/885	4,179	740	-	542	1,282	24	-	11	35	15	56,000	72,500	1,362	41,116	144,148	43	27	16	42.57
Scituate	264	873	16,973	2,917	968	1,526	5,411	51	4	7	62	69	125,000	205,000	5,784	21,611	2,047,529	67	31	36	61.02
Seekonk	265	-	11,116	1,718	513	827	3,058	30	9	12	51	-	75,000	146,100	3,271	22,929	1,145,964	52	21	11	32.00
Southwick	274	-	6,330	1,153	-	523	1,676	24	-	7	31	10	39,500	74,600	1,381	28,750	771,765	34	24	10	34.00
Spencer	280	767	8,779	921	523	582	2,026	12	-	-	12	46	45,000	63,300	2,284	19,702	757,826	47	24	23	42.77
Springfield	281	-	163,905	16,926	6,497	5,048	28,931	107	-	-	107	1155	660,000	950,000	35,581	27,105	14,253,490	74	34	40	75.76
Stoughton	285	872	23,459	3,566	1,849	1,816	6,431	79	8	11	98	128	159,000	232,500	6,976	25,324	2,016,150	47	29	18	47.00
Sturbridge	287	770	4,474	882	-	586	1,468	12	-	-	12	2	42,000	71,500	1,538	27,308	380,763	46	29	17	46.00
Sudbury	288	695/850	13,905	3,576	-	1,471	5,050	20	-	-	20	-	155,000	216,100	5,140	30,156	1,177,653	49	34	15	49.00
Sutton	290	805	4,596	542	-	576	1,118	5	-	1	6	40	20,000	46,500	1,236	16,181	432,775	120	83	37	68.40
Taunton	293	810	43,786	5,172	-	2,245	7,417	106	-	-	106	202	160,000	291,400	9,595	16,675	3,202,435	161	68	93	69.14
Templeton	294	720	5,863	737	-	726	1,463	19	-	16	35	3	22,000	35,700	1,550	14,194	829,451	58	33	25	46.38
Wakefield	305	851	24,402	2,521	903	1,634	5,058	38	9	23	70	280	200,000	269,000	6,062	33,047	752,930	127	63	64	49.53
Waltham	308	-	61,582	5,760	2,667	2,504	10,931	152	-	-	152	196	560,000	692,500	12,407	45,136	1,863,146	44	23	21	39.42
Wareham	310	874	11,492	2,228	-	920	3,148	68	-	-	68	140	138,000	229,100	3,152	41,169	183,961	58	20	38	38.00
Wenham	320	675/854	3,149	339	155	303	847	40	-	-	40	-	38,000	55,800	1,316	17,402	114,165	37	23	14	35.65
Westfield	325	-	31,433	3,902	1,286	1,645	6,833	53	26	29	118	267	155,000	305,000	8,040	19,185	2,621,277	54	28	26	53.00
Westford	326	852	10,368	1,703	612	753	3,068	130	16	1	147	180	62,000	115,600	3,767	16,459	1,195,138	53	30	23	53.50
Weymouth	336	-	54,610	16,381	3,592	3,022	12,995	99	35	39	173	192	386,000	540,500	15,441	24,990	4,026,916	53	24	29	52.80
Williamstown	341	715/851	8,454	765	-	763	1,528	40	-	11	51	2	70,000	79,900	1,701	41,152	225,920	39	28	11	39.00
Woburn	347	853	37,406	4,249	2,156	2,021	8,676	64	15	8	87	117	240,000	406,300	9,885	24,279	2,765,581	117	49	68	61.05
Worcester	348	-	176,572	16,579	6,646	4,901	28,126	298	131	42	471	63	683,000	1,000,000	30,379	22,775	15,132,502	151	63	88	94.85

Column Explanations

Net Average Membership	The net average membership is the average membership for a given school year as shown by the school registers. It is adjusted to reflect students attending regional schools and students in a tuition status. The apparent inconsistencies in the data above under elementary, junior high, and senior high are caused by a lack of consistency in reporting. The "total" figures are accurate according to the school registers.
Eq. Val. 73-74 (Equalized Valuation, 1973-74) Eq. Val. 75-76 (Equalized Valuation, 1975-76)	The equalized valuation of the aggregate property in a city or town subject to local taxation, as reported by the state tax commission to the General Court under the provisions of Section 10 C of Chapter 58 of the General Laws for the period indicated.
SAC (10 / 1 / 72)	School Attending Child as reported by the town on October 1, 1972. "School Attending Child" includes any minor child in any school kindergarten through grade twelve who is a resident in the city or town as reported by the superintendent of schools in accordance with the requirements of Section 2 A of Chapter 72 of the General Laws.
Eq. Val. per SAC (73-74)	Equalized Valuation per School Attending Child (1973 - 74) is the computed equalized property per school attending child as reported in the "Analysis of School Aid to Massachusetts Cities and Towns - Distribution Years 1973-74."
Ch 70 Aid (73 - 74)	State Aid to Education entitlement to the cities and towns under the provisions of Chapter 70 of the General Laws for distribution years 1973-74
Tax Rate 1973	Official tax rate per $1000 assessed valuation for the 1973 twelve-month period of the 1973-74 transitional fiscal year in Massachusetts. The figure listed under the column "Full Value" is the estimated tax rate per $1000 assessed valuation if all property in the state was assessed at 100 percent of its value.

Source of Data

(1) Department of Education, Annual Report for the year ending June 30, 1973.

(2) Massachusetts Teachers Association Research Bulletin 734-9 "Background Data for Massachusetts School Districts, 1973"

(3) Department of Education, "Analysis of School Aid to Massachusetts Cities and Towns, Distribution Years 1973 - 74"

(4) State Tax Commission proposed equalized valuations for the period 1974 - 76 (as amended by the Appelate Tax Board)

APPENDIX E

MODEL SCHOOL AID PROGRAM

The school aid program described in this model would combine the existing aid programs currently funded under the following areas:

General Aid	Chapter 70
Special Education	Chapter 69 and 71
Transitional Bilingual Education	Chapter 71 (A)
Vocational Education	Chapter 74

The state aid percentage for funding public education would increase to 50 percent after five years. The transition to this level would be enacted as follows:

Year 1	35 percent
Year 2	38 percent
Year 3	42 percent
Year 4	46 percent
Year 5	50 percent

Cities, towns, and regional school districts would receive state aid for reimbursement of normal operating expenses according to the following formula:

$$1.0 - \left[.65^{*} \frac{\text{Equalized Val./SAC local}}{\text{Equalized Val./SAC state}} \right] \times \text{Sum of Weighted Pupil Units} \times \text{State Average - Per Pupil Cost}$$

*Note: This percentage would change in each of the succeeding years -
Year 2 (.62), Year 3 (.58), Year 4 (.54), Year 5 (.50) to reflect the gradual increase of the state's share to 50 percent of the normal operating cost of the local schools.

Regional school districts would receive aid directly from the state and would apply aid received in this program to reduce the assessments to member communities. Equalized valuation per school attending child for the region would be determined by weighting the equalized valuation per SAC of each member community in proportion to that member community's share of the enrollment of the regional school.

An example of this process might be illustrated by using a fictitious regional school district (Shawmut Regional School District) made up of the three towns of Coretown, Suburbia, and Fringeville

	Students	Eq. Val/SAC	Percentage Factor
Coretown	550	$17,600	56.4
Suburbia	275	32,000	28.2
Fringeville	150	25,500	15.4
Total	975	---	100.0

For purposes of this model, the equalized valuation per school attending child would be determined by multiplying the Eq. Val/SAC by the percentage factor and adding the sums therein.

Example

$17,600	x	.564	$9926.
32,000	x	.282	9024.
25,500	x	.154	3927.
			$22,877.

Thus, the equalized valuation per school attending child for this regional school district would be $22,877.

The term "weighted pupil units" in the model formula refer to cost differentials for a number of differing types of educational program. For purposes of this model, the cost of providing a unit of instruction for a single pupil in grades 1 through 6 is established as 1.0. Other types of "pupil unit" are weighted in terms of full-time equivalent as listed below:

Type of Program	Weighted Per Unit
Regular Day, Basic Elementary Grades 1-6	1.00
Regular Day, Grades 7 - 9	1.25
Regular Day, Grades 10 - 12	1.35
Kindergarten	1.25
Special Education	
Integrated Programs	2.50
Substantially Separate	3.50
Tuitioned Out - Day Programs	5.00
Residential placement	6.00
Bi-Lingual	1.40
Vocational Training	2.10
Occupational Training (Approved Programs)	1.60
Continuing Education	.20
Programs for Disadvantaged Students (Title I definition)	.30

(Note: The weighted pupil units in this model are "best judgments" of the current full-time equivalent costs and are based upon data available in the Department of Education's Annual Report for the period ending June 30, 1973. We have recommended that up-dated equivalents based upon current cost differentials for the categories listed above be established by the Department of Education bi-annually.)

For purposes of this model, $1000 is established as the "state average - per pupil cost." This is the approximate state average expenditure for regular programs - all categories - on a full-time

equivalent basis for the 1972-73 school year. In future years, this state average would be based upon the most current year's state average expenditure.

This model operates under the assumption that no city or town will receive less total state educational aid than it did in the fiscal year immediately preceding the enactment of a new state aid formula.

Example of Model Aid Computation

$$\text{Aid} = 1.0 - .65 \frac{\text{Eq. Val/SAC local}}{\text{Eq. Val/SAC state}} \times \text{Sum of Weighted Pupil Units} \times \$1000$$

Andover

$$\text{Aid} = 1.0 - .65 \times \frac{32899}{25551} \times \text{Sum of Weighted Pupil Units} \times \$1000$$

Sum of Weighted Pupil Units

Program	No. of Students	Weight	Weighted Pupil Units
Reg. (1 - 6)	2790	1.0	2790.00
Reg. (7 - 9)	1519	1.25	1898.75
Reg. (10 - 12)	1381	1.35	1864.35
Kindergarten	558	1.25	697.50
Sp. Ed. - Int	40	2.50	100.00
Sp. Ed. - Separate	12	3.50	42.00
Sp. Ed. - Day	12	5.00	60.00
Sp. Ed. - Residential	4	6.00	24.00
Vocational	59	2.10	123.90
Occupational	110	1.60	176.00
Cont. Education	450		90.00
Bi-Lingual	0	1.40	0.00
Disadvantaged	167	.30	50.10
Total			$7916.60

Aid = .164 x 7916.60 x $1000

Aid = $1,298,322

Compared to Existing Aid Entitlements

Chapter 70 Aid (1974)	$1,043,809.46
Special Education Aid (1973)	162,454.00
Aid to Vocational Education (1973)	3,851.00
Total	$1,210,114.46

(Note: The aoove computation incorporated the 1973-74 Equalized Valuation per School Attending Child figures. If the proposed 1974-75 figures are used the aid under this model would be approximately $50,000 more. The exact figure here is impossible to project until all up-dated data is available.)

Model School Aid Program

Effects of School Aid Formula on

Selected Communities

City / Town	Aid* Percentage	Sum of Weighted Pupil Units	State Aid Projected - Year 1	State Aid 1973 - 74 Chapter 70	Special Education	Voc. Education	Total
Andover	16.4	$ 7,916.60	$ 1,298,322.00	$ 1,043,309.46	$ 162,454.00	$ 3,351.00	$ 1,210,114.46
Boston	57.9	118,212.60	68,445,095.00	52,880,673.79	3,169,832.00	3,099,620.00	59,150,125.79
Chelmsford	38.0	10,646.75	4,045,765.00	2,545,588.46	166,208.00	--- --	2,711,796.46
Everett	00.0	8,562.15	1,254,804.20 (1)	1,037,554.20	156,449.00	60,801.00	1,254,804.20
Longmeadow	00.0	5,352.90	774,509.75 (1)	645,939.75	126,845.00	1,725.00	774,509.75
New Bedford	55.2	21,392.00	11,808,384.00	7,363,178.30	470,630.00	588.00	7,834,396.30
Pittsfield	37.6	15,016.00	5,646,016.00	3,875,709.11	308,614.00	422,841.00	4,607,164.11
Springfield	56.6	38,106.60	21,568,335.00	14,259,490.34	29,200.00	712,686.00	15,001,376.34
Woburn	46.6	10,697.60	4,985,081.00	2,765,341.17	41,078.00	--- --	2,806,419.17
Worcester	52.3	35,438.10	18,534,126.00	15,132,502.30	710,821.00	15,110.00	15,858,433.30

* at 35% - . Year 1

(1) Safe Harmless - Guarantee of state aid funds at the same level as the preceding fiscal period.

mace

Invitation to Comment

The Massachusetts Advisory Council on Education invites your comments on this report. Any statements you mail to the Council BEFORE APRIL 1, 1975, will be carefully considered by the Council in its review of the conclusions and recommendations of the study director.

The form to the right of this invitation may be clipped and used to record your comments. Attach additional sheets if necessary. Also, if you wish to appear before the Council to offer verbal testimony on this report, record your request on the form. Mail your comments and/or request before April 1, 1975, to:

Director of Research
Mass. Advisory Council
on Education
182 Tremont Street
13th Floor
Boston, MA 02111

Thank you.

COMMENTS ON MACE REPORT ON FINANCING PUBLIC EDUCATION (Use additional sheets if necessary.):

FROM (print name):_____

ORGANIZATION (if any)_____

ADDRESS:_____

_____

TEL. NUMBER_____ DATE:_____

SIGNATURE_____

A List Of Other Mace Projects

Underway At The Time Of This Printing

SPECIAL EDUCATION COLLABORATIVES—developing recommendations and resource materials needed to promote collaboratives under Chapter 766.

CITIZEN PARTICIPATION—developing resource materials and alternatives to promote positive citizen involvement in educational decision making.

STUDENT RECORDS—assisting the Department of Education in developing regulations and guidelines governing school records.

ELEMENTARY SCIENCE--assisting interested school districts in evaluating and improving elementary science programs.

VANDALISM—developing resource materials for school districts interested in designing and maintaining school buildings to reduce damage from vandalism.

URBAN READING PROGRAMS—analyzing factors that influence the degree of success achieved by urban school reading programs.

HIGH SCHOOL DIPLOMAS—defining and proposing a statewide system for flexibility and control of quality of student achievement in awarding high school diplomas.

SCHOOLS AND THE ELDERLY—defining and proposing actions to promote mutually beneficial relationships between the elderly and schools/colleges.

COLLEGE TEACHING—defining and proposing actions to assist college and universities in their design of systems for evaluating and improving teaching practices on the college level.

Some Other Recent Reports Of The Massachusetts Advisory Council On Education

TITLE	*AUTHOR*	*WHERE AVAILABLE*
Effectiveness, Efficiency and Equal Opportunity in the Public School of Massachusetts	Governor's Commission on School District Organization and Collaboration	MACE
Massachusetts Taxes: A Factual Guide to Future Action	Massachusetts Taxpayers Foundation	MACE
Aid to Private Higher Education in Massachusetts	Frederick E. Terman	MACE
Higher Education in Massachusetts: A New Look at Some Major Policy Issues	Academy for Educational Development	MACE Summary Only
Strengthening the Alternative Post-Secondary Education System. Continuing and Part-Time Study in Massachusetts	George Nolf, and Valane Nelson	MACE 4-page Summary Only
Something of Value (Summary) and Elementary Science Handbook	Office of Instructional Research and Evaluation Harvard University	MACE
The Here, Now and Tomorrow of Cable Television in Education . . . A Planning Guide	Creative Studies, Inc.	MACE
Modernizing School Governance for Educational Equality and Diversity	Paul W. Cook, Jr.	MACE
Massachusetts Schools: Past, Present and Possible	Richard H. de Lone	MACE
Child Care in Massachusetts: The Public Responsibility	Richard R. Rowe	ERIC ED #065-174 (full)
A Systems Approach for Massachusetts Schools: A Study of School Building Costs	Campbell, Aldrich & Nulty	ERIC ED #060 531 (full) ED #060 530 (summary)
Organizing an Urban School System for Diversity	Joseph M. Cronin	D.C. Heath Publishing Co. Lexington, MA.
Continuing Education in Massachusetts: State Programs for the 70's	Melvin Levin Joseph Slavet	D.C. Heath Publishing Co. Lexington, MA.
Guidelines for Planning and Constructing Community Colleges	Bruce Dunsmore	ERIC ED #034 390
Pupil Services for Massachusetts Schools	Gordon Liddle and Arthur Kroll	ERIC ED #037 767
Take a Giant Step: Evaluation of Selected Aspects of Project 750	Herbert Hoffman	ERIC ED #061 695
Teacher Certification and Preparation in Massachusetts	Lindley J. Stiles	ERIC ED #027 243